

Date Monday 26 August 2013
Subject Solid inaugural profit by nib New Zealand

Highlights

- nib New Zealand contributes NZ\$8.0 million or 8.7% to Group underwriting profit
- New product range to be unveiled later in 2013
- Benji Marshall appointed as nib New Zealand brand ambassador

nib holdings limited (ASX: NHF) today said nib New Zealand made an inaugural contribution of NZ\$8.0 million (7 months) (AU\$6.4 million) to group pre-tax net underwriting profit of AU\$73.8 million for the 12 months ended 30 June 2013.

The New Zealand profit reflected seven months of operation since nib completed the acquisition of TOWER Medical Insurance in November 2012. As forecast, the acquisition was EPS accretive in FY13, with nib New Zealand contributing about 9% of group operating profit.

"This is a very pleasing result and confirms that New Zealand will become an increasingly important part of nib's earnings base," said Rob Hennin, the Chief Executive of nib New Zealand.

"The acquisition of TOWER Medical Insurance, including the transition and separation of the business has gone smoothly with all the key milestones we set ourselves being met," Mr Hennin said.

We have successfully moved more than 110 of our Auckland-based employees under the nib banner as well as more than 75,000 of our New Zealand policyholders. Plus we now have in place a very experienced New Zealand management team," he said.

nib also confirmed full RBNZ licensing and Qualifying Financial Entity (QFE) status has been achieved meaning all regulatory requirements are no longer transitional.

"We are now planning a very heavy investment in brand and marketing to kick off in New Zealand later this year, which will also include a direct-to-consumer product offering," Mr Hennin said.

"To support this we have appointed Benji Marshall as the brand ambassador to front nib New Zealand's marketing and advertising campaign," he added.

"We think Benji is a great fit for our company and our brand. And with him returning to New Zealand to play rugby with the Auckland Blues next season, we saw this as a great opportunity," Mr Hennin said.

"Benji is a high profile and highly respected name and he is absolutely the right person to promote nib New Zealand," he said.

nib's Managing Director, Mark Fitzgibbon said the acquisition of TOWER Medical Insurance is further evidence of how nib is thinking beyond the boundaries of its core Australian business.

"With just over 30% of New Zealanders having health and medical insurance, compared to almost 50% in Australia, we see a great opportunity to grow industry participation and snare our lion's share of this increase," Mr Fitzgibbon said.

About nib New Zealand

Leading Australian health insurer nib acquired TOWER Medical Insurance Limited from TOWER Limited in November 2012 for approximately NZ\$103 million. Tower Medical is New Zealand's second largest health insurer, with more than 75,000 policyholders, and a market share of approximately 14%. Headquartered in Auckland, nib New Zealand's Board of Directors is led by Chairman Alan Clarke, who is currently Managing Director and Chief Executive of Abano HealthCare Group in Auckland.

Later this year TOWER Medical Insurance will be rebranded as nib New Zealand, with plans to position and develop the business as a challenger and grow the market and its own market share. nib is one of Australia's fastest growing health funds. In 2007, nib listed on the Australian Securities Exchange and is the only ASX-Listed health insurer. Today nib provides health and medical insurance to over one million New Zealand and Australian residents.

MEDIA ENQUIRIES

Matthew Neat
Tel: 61-2 4914 1777
Mob: 61-411 700 006
Email: m.neat@nib.com.au

Renea Jaeger
Tel: 61-2 4914 1739
Mob: 61-402 376 835
Email: r.jaeger@nib.com.au