

Date:

1 September 2006

Subject

NIB Announces New National Headquarters

NIB Health Funds Limited (NIB) today announced it will acquire land and develop a new national head office building at 231 Honeysuckle Drive, on Newcastle's Harbour foreshore.

NIB's Chief Executive Officer, Mr Mark Fitzgibbon, said the signing of a development agreement today marked the beginning of an exciting period for the fund which has experienced significant growth in the past few years.

"Our new head office, located in Newcastle's premier business precinct, will allow NIB to deliver maximum efficiency across the business from the one location," Mr Fitzgibbon said.

"We have outgrown our current head office at 384 Hunter Street, Newcastle, which no longer meets the functional needs of the organisation," Mr Fitzgibbon added.

The new six-storey, 8,000 square metre facility will have capacity to accommodate more than 450 employees across all business operations.

It will incorporate an innovative, modern layout that meets current OH&S requirements and will feature the latest sustainable design principles, such as a 4.5-star building energy rating.

The building will also have dedicated car parking facilities.

Mr Fitzgibbon said that today's announcement reaffirms NIB's position as a national business based in the Hunter.

"We are proud of our Hunter origins and firmly believe that Newcastle remains the ideal location for our headquarters from which to facilitate the fund's continued national growth," Mr Fitzgibbon said.

NIB, together with the project's consortium partners Tuscan, Crone Partners and AMP Capital Investor's Select Property Portfolio, today signed an agreement to develop Tower One of the two-tower development.

The proposed development is currently being assessed for approval by NSW Department of Planning.

Mr Fitzgibbon added that over the coming months NIB will work with the project partners to finalise the building design and construction timetable.

Work on the \$37 million project, which includes fitout, is due to start in December 2006 with NIB expecting to occupy the new building by mid-2008.

The company is currently assessing options regarding the future of the current head office at Hunter Street, Newcastle.

NIB is Australia's sixth largest health fund providing health cover to more than 630,000 Australians.

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