

Date

Wednesday, 20 February 2008

Subject

nib launches life insurance

nib health funds limited (nib) today announced a partnership arrangement with TOWER Australia to offer life insurance.

As a result nib will launch '*nib Value Life Insurance*', initially targeting around 10,000 nib customers nationwide. The products will be branded nib and sold and administered by TOWER.

nib Value Life Insurance will provide families affordable protection with up to \$500,000 cover with no medical test required. Applications can be made online from Friday 22 February at nib.com.au/valuelife.

nib Chief Executive Officer, Mr Mark Fitzgibbon said the move to provide a more diversified range of products has been driven by the health fund's strong brand and customer growth across Australia.

"Over the past four years nib has made significant progress in expanding from a predominately NSW based health insurance provider to a truly national brand. This provides nib with an ideal platform to enter into a new product market," Mr Fitzgibbon said.

"Customer research conducted during late 2006 revealed strong policyholder interest in nib offering more than just health insurance, and for many, the move to the provision of life insurance was seen as a natural alignment."

Mr Fitzgibbon said that nib has successfully positioned itself in the marketplace as a provider of affordable health cover that is easy to understand, easy to claim on and meet the real needs of our customers.

"This positioning has been a key factor in nib's customer growth and these principles will carry through to our life insurance products.

"I have no doubt that the strength of the nib brand, along with the quality, convenience and affordability of the TOWER product will make this a popular offer."

TOWER Australia is the only specialist life insurer listed on the ASX. It provides innovative and competitive products and services, as well as quality support for customers to help them make informed decisions about life insurance needs.

TOWER's Managing Director, Jim Minto said the partnership agreement with nib is a first retail offer through a health insurer for Australia's fourth largest life insurance provider and the company saw the integration of offers of health insurance and life insurance products as very good in improving access to life insurance for consumers.

"Our aim is for TOWER to be the premier business partner for distributors of life insurance products, so we are very excited about our partnership agreement with nib," Mr Minto said.

"The synergies between the two organisations are quite unique. We have both experienced significant market success over the past few years, with the majority of this growth underpinned by both company's commitment to deliver what the customer wants in the way that they want it," Mr Minto added.

Under the partnership agreement, the TOWER life insurance products offered by nib will be exclusive in the private health insurance sector.

About nib

nib is one of Australia's fastest growing health funds, providing affordable health cover to more than 700,000 people nationwide. In 2007 nib became the first Australian health fund to demutualise and list on the Australia Securities Exchange (ASX).

nib holdings limited will announce its half year 2008 financial results on Wednesday 27 February 2008. The results will be presented by nib's Managing Director, Mark Fitzgibbon and Chief Financial Officer, Michelle McPherson via telephone dial-in from 10.30am (AEDST). nib's half year results media release will be distributed from approximately 9am on Wednesday 27 February.

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