

**Date** 15 October 2010

**Subject** Report says regional Victoria to receive \$118 million economic boost

nib holdings limited (nib) today announced that Geelong and the surrounding region will receive an economic boost of up to \$118 million if its merger proposal with GMHBA proceeds.

According to an independent study released today by economic consultancy ACIL Tasman, nib's merger with GMHBA will inject between \$79.1 million and \$118.6 million of additional income into the regional economy.

"A portion of this income is likely to be saved for a period of time but ultimately it will be able to be spent by policyholders as they see fit," ACIL Tasman said in its report.

"The additional income and economic activity would generate between 311 and 466 job years of additional full-time employment in the region," it said.

The report was commissioned by nib, which last week unveiled its \$140 million proposal to merge with the Geelong-based fund.

nib's Managing Director, Mark Fitzgibbon said the ACIL Tasman study confirms that nib's proposal will provide a significant boost to Geelong's economy.

"This study shows that our proposal offers more than building a stronger and more competitive health insurance business. It will actually support the local economy and create jobs rather than threaten jobs as some have suggested," Mr Fitzgibbon said.

"nib may be relatively new to the Geelong region but has a genuine long-term commitment to build its regional presence and business," he said.

"We imagine a future in which our operations in Geelong are significant and support our ambitions to grow market share in Victoria. Already we have over 60,000 policyholders in Victoria, close to GMHBA's 70,000," Mr Fitzgibbon added.

The significant economic boost from nib's proposal will be on top of GMHBA's existing investment in the region with nib's merger proposal including commitments to maintain GMHBA's branches, products and employees.

A copy of ACIL Tasman's report is attached.

## **FURTHER INFORMATION**

Matthew Neat  
Tel: 02 4914 1777  
Mob: 0411 700 006  
Email: m.neat@nib.com.au

Ian Pemberton or Iain McDonald  
Tel: 02 9231 5411  
Mob: 0402 256 576 / 0488 390 151  
Email: ian.pemberton@plcorporate.com.au