

IT'S GOOD TO BE
HUMAN

2016 HALF YEAR RESULTS INVESTOR PRESENTATION

MONDAY 22 FEBRUARY 2016

nib



Disclaimer



The material in this presentation is a summary of the results of nib holdings limited (nib) for the 6 months ended 31 December 2015 and an update on nib's activities and is current at the date of preparation, 22 February 2016. Further details are provided in nib's half year accounts and results announcement released on 22 February 2016.

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As referenced in this presentation, if there is a change percentage increase or (decrease) between 1H15 and 1H16 the change shown is the difference between those two percentages..

Any discrepancies between totals and sums of components in this publication are due to rounding.

All figures quoted are in Australian dollars unless otherwise stated.

A person is running away from the camera on a paved path. The scene is bathed in the warm, golden light of a sunset or sunrise, with long shadows cast on the ground. The background is a soft-focus landscape of trees and grass.

Mark Fitzgibbon

CEO & MANAGING DIRECTOR

HALF YEAR RESULTS 2016

The nib logo consists of the lowercase letters 'nib' in a white, bold, sans-serif font, centered within a solid green square.

nib



First Half Highlights

On track to deliver strong full year result



Improved Group operating performance	<ul style="list-style-type: none"> Total Group revenue grew 15.2% driven by strong growth across the Group and pricing (as well as first-time inclusion of World Nomads). Underlying operating profit grew 46.1% to \$66.4m¹, statutory operating profit grew 41.0% to \$59.3m.
Australian Residents Health Insurance (arhi) continues to grow earnings and restore operating margins	<ul style="list-style-type: none"> Strong policyholder growth of 1.8%² for 1H16 contributed to an increase in premium revenue to \$781.3m (+10.5%). Underlying operating profit of \$51.7m (+37.6%) led by higher gross underwriting result (gross margin of 15.1% versus 13.4% in 1H15).
Strong growth in international (inbound) health insurance (iihi) although profitability hurt by new student group	<ul style="list-style-type: none"> Strong policyholder sales and inclusion of Saudi student business resulted in premium revenue of \$41.5m (+84.7%). Premium revenue grew 25% excluding Saudi group. Underlying operating profit of \$5.4m (-30.9%) adversely impacted by Saudi group claims experience. Arrangement discontinued from 1 March 2016.
New Zealand profitability continues to improve with growth and increased scale	<ul style="list-style-type: none"> Premium revenue grew 9.6% to \$79.9m due to pricing and ongoing strong direct-to-consumer (DTC) growth. Underlying operating profit of \$7.8m (+194.7%).
Maiden World Nomads Group (WNG) earnings contribution in line with expectations	<ul style="list-style-type: none"> Transition of business complete and integration progressing well. Underlying operating profit of \$4.2m.
NPAT impacted by lower investment earnings despite strong operating result	<ul style="list-style-type: none"> NPAT of \$43.1m (+4.7%) due to improved operating result offset by lower net investment income (-67.5%) as a result of weak equity market returns, lower investment base and one-off benefit in 1H15 from sale of PSG³ shareholding.
FY16 outlook remains positive	<ul style="list-style-type: none"> FY16 consolidated underlying operating profit of \$102m – \$114m (statutory operating profit of \$90m – \$100m), with result likely to be at upper end of the range.

¹nib's statutory operating profit was up 41.0% to \$59.3 million, and includes \$7.1 million in amortisation of acquired intangibles and one-off (transactions and M&A) costs.

² At the time of finalising this presentation APRA had not published the comparable industry statistic.

³1H15 benefited (\$5.4m) from sale of shareholding in Pacific Smiles Group.



Financial Summary

Improved performance across key metrics despite weaker investment return



	1H16	1H15	Change
Total Group revenue (\$m)	927.1	805.0	+15.2%
Underlying operating profit (\$m)	66.4	45.4	+46.1%
Amortisation of acquired intangibles & one-off costs (\$m)	(7.1)	(3.4)	+109.8%
Statutory operating profit (\$m)	59.3	42.1	+41.0%
Net investment income (\$m)	6.5	20.0 ¹	-67.5%
NPAT (\$m)	43.1	41.1	+4.7%
Underlying EPS (cps)	11.0	10.0	+10.6%
Statutory EPS (cps)	9.9	9.4	+5.3%
Dividend (cps)	5.75	5.5	+4.5%
ROE (%) ²	22.9	21.4	+1.5%

¹ Net investment income in 1H15 benefited (\$5.4 m) from of sale of shareholding in Pacific Smiles Group

² Using average shareholders' equity and NPAT attributable to the owners of nib holdings limited for the previous 12 months over a 12 month rolling period

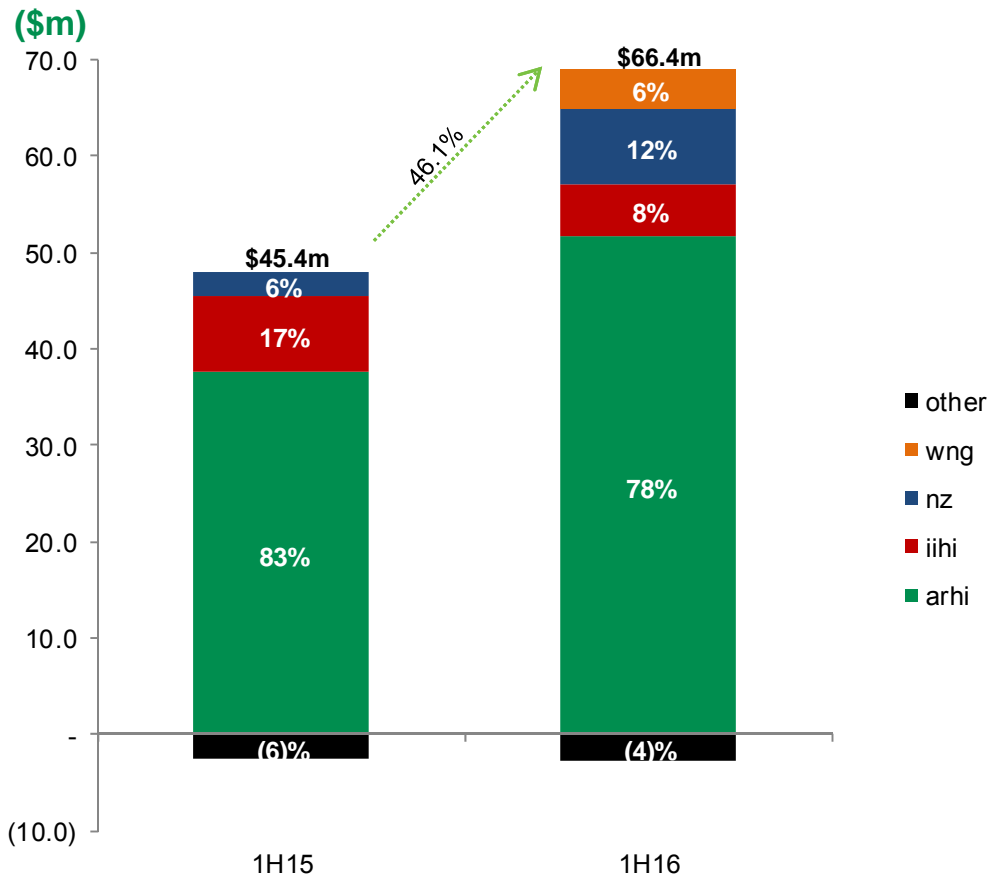


Group Underlying Operating Profit

arhi remains core earnings driver with adjacent businesses growing



Underlying operating profit by segment



- arhi continues to be primary contributor to Group underlying operating profit.
- Strategy to leverage core business capabilities to pursue adjacent business opportunities is delivering results with non-arhi contribution to Group underlying operating profit of \$14.7m (1H15: \$7.9m).
- Other includes corporate expenses (share registry/directors fees) as well as investment in nib Options, offset by income from complementary products (life and related insurance commissions), travel insurance commissions prior to WNG acquisition (31 July 2015), as well as rent and licence fee income (Digital Health Ventures).

Percentages shown in graph are a percentage of Group underlying operating profit by business segment

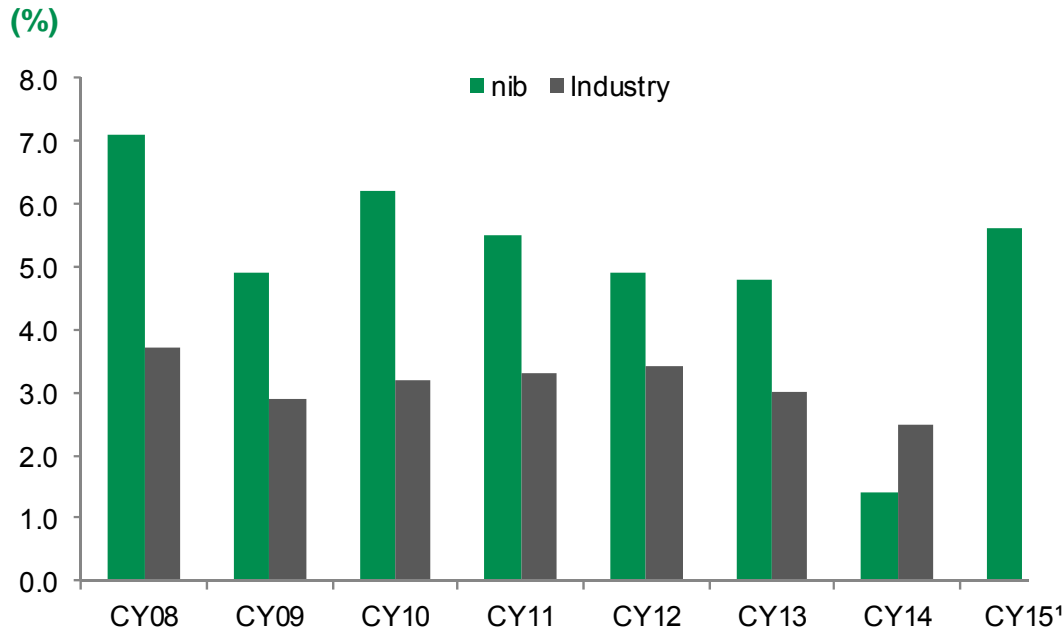


Organic growth

All underwriting segments continue to grow

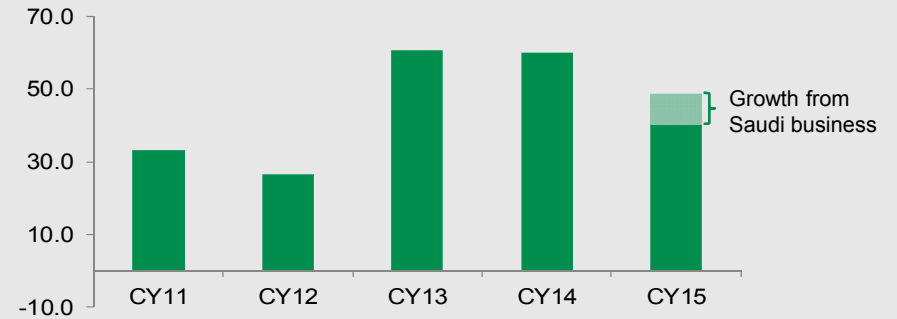


arhi policyholder growth

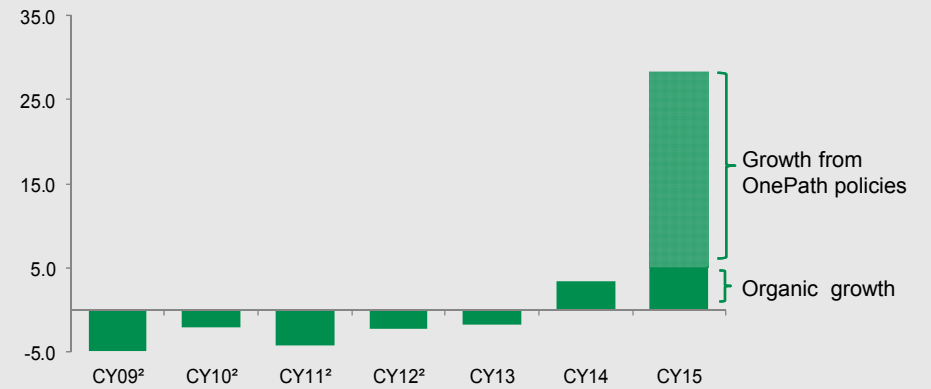


¹At the time of finalising this presentation APRA had not published the comparable industry statistic
Source: nib/APRA

International (inbound) health insurance policyholder growth (%)



New Zealand policyholder growth (%)



² nib acquired TOWER Medical business on 30 November 2012.

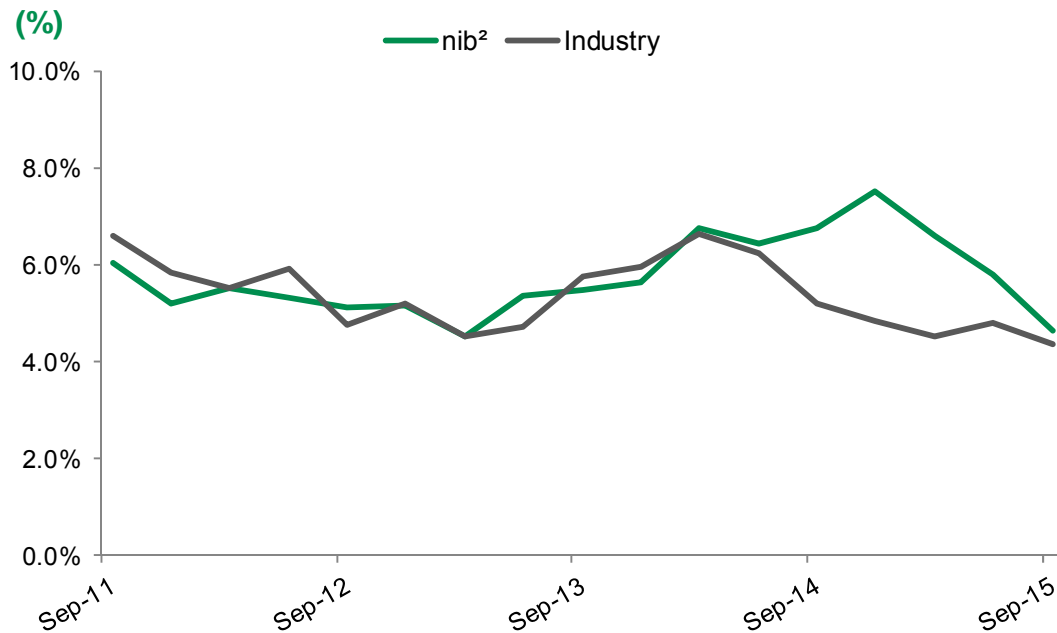


arhi claims inflation

Moderating claims inflation improved gross margin and earnings



Annual drawing rate inflation nib versus industry
(Rolling 12 months average - figures to 30 September 2015¹)



- Moderating claims inflation contributed to a 170bps improvement in nib gross margin of 15.1% in 1H16 (1H15: 13.4%) driven by:
 - Favourable shift in product mix
 - Better combatting adverse selection
 - Lower claims utilisation at an industry level

¹ At the time of finalising this presentation APRA had not published the December 2015 quarterly industry statistics

² Includes Risk Equalisation

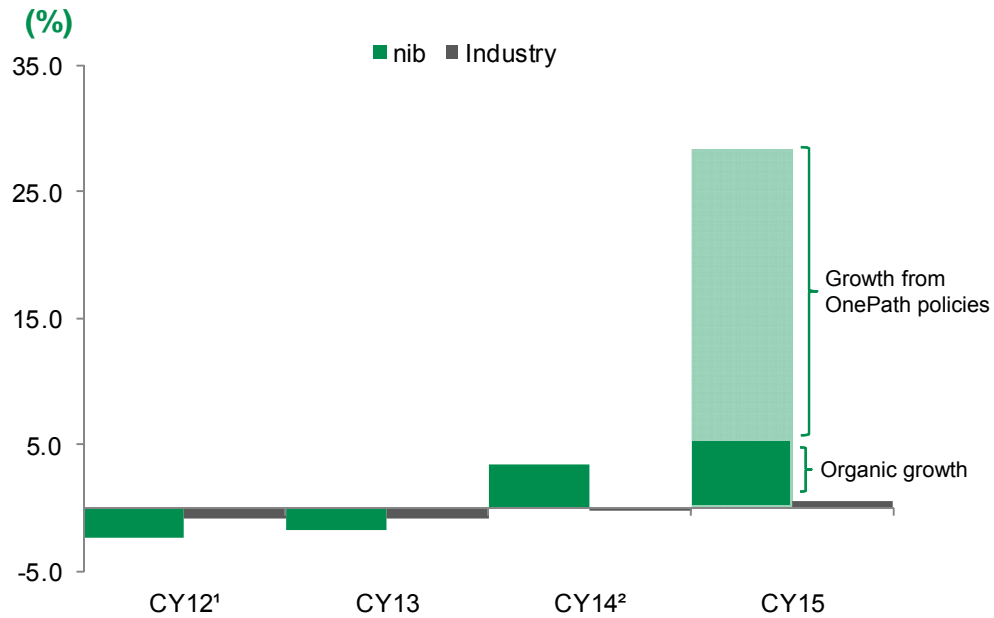


Improved nib NZ performance

Growth has business performing to expectations



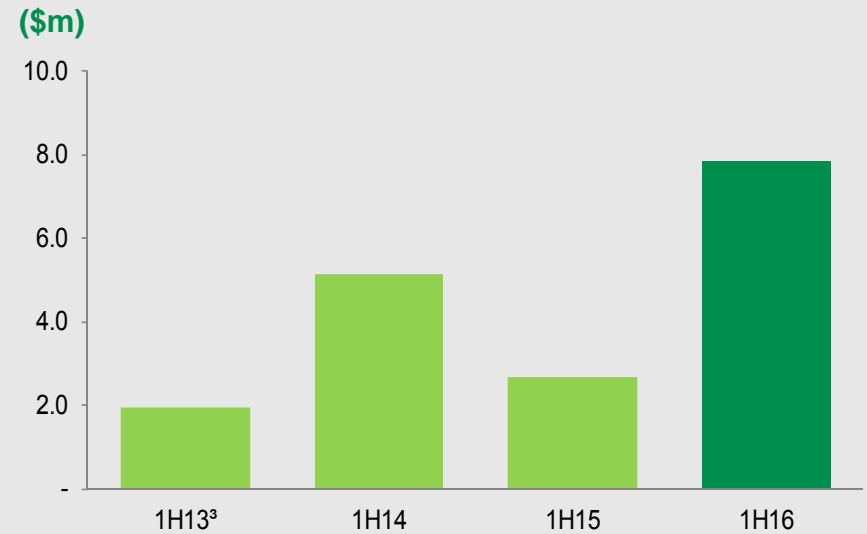
Policyholder growth versus industry since acquisition



¹ nib acquired TOWER Medical business on 30 November 2012

² Industry growth for CY14 was (0.2)% but due to scale of graph may not be visible

Underlying operating profit (1H) since acquisition



³ nib acquired TOWER Medical business on 30 November 2012 with 1H13 being a 1 month result.

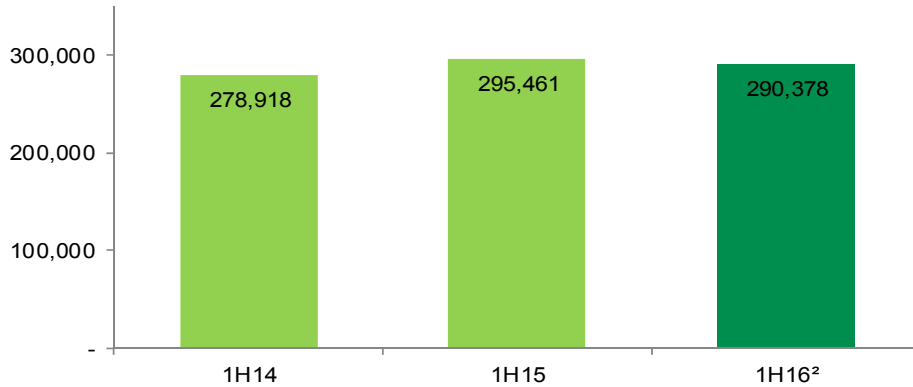


World Nomads Group (WNG)

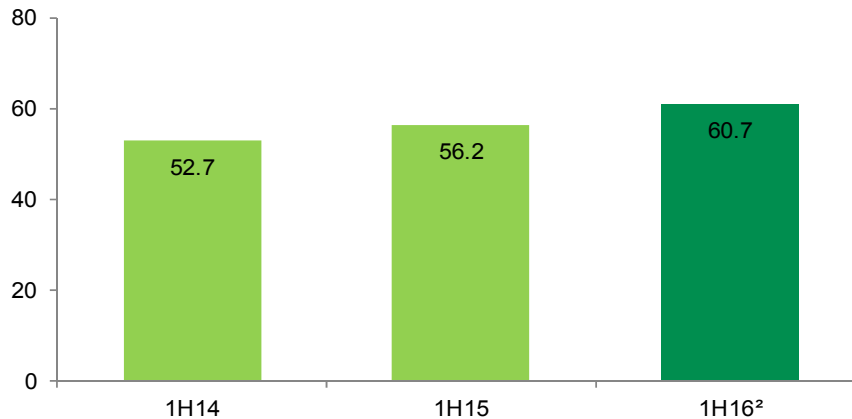
Maiden contribution of \$4.2m in line with expectations



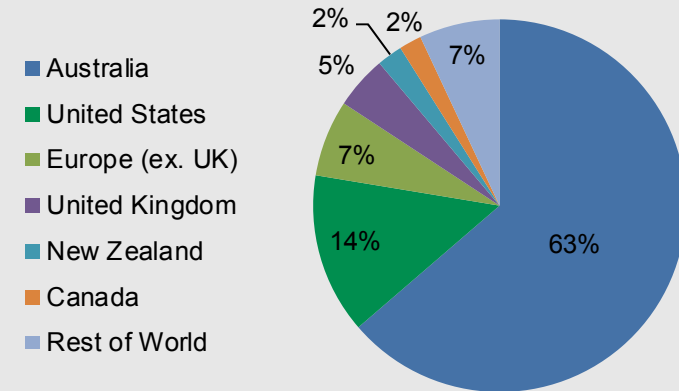
WNG Sales (Policies)



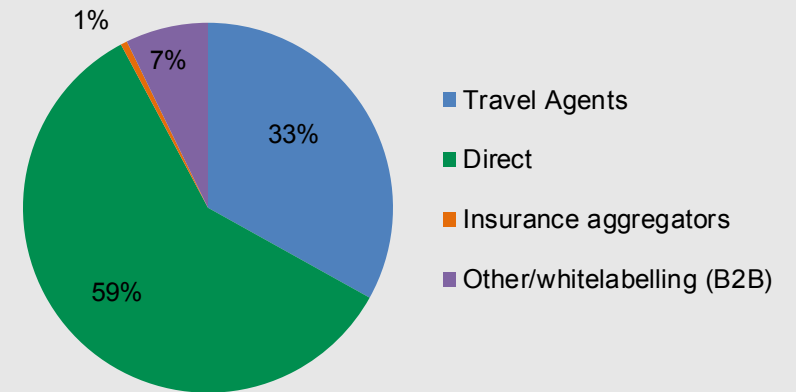
WNG Gross Written Premium¹ (\$m)



1H16² WNG Gross Written Premium by Region



1H16² WNG Sales by Channel (Australia only)



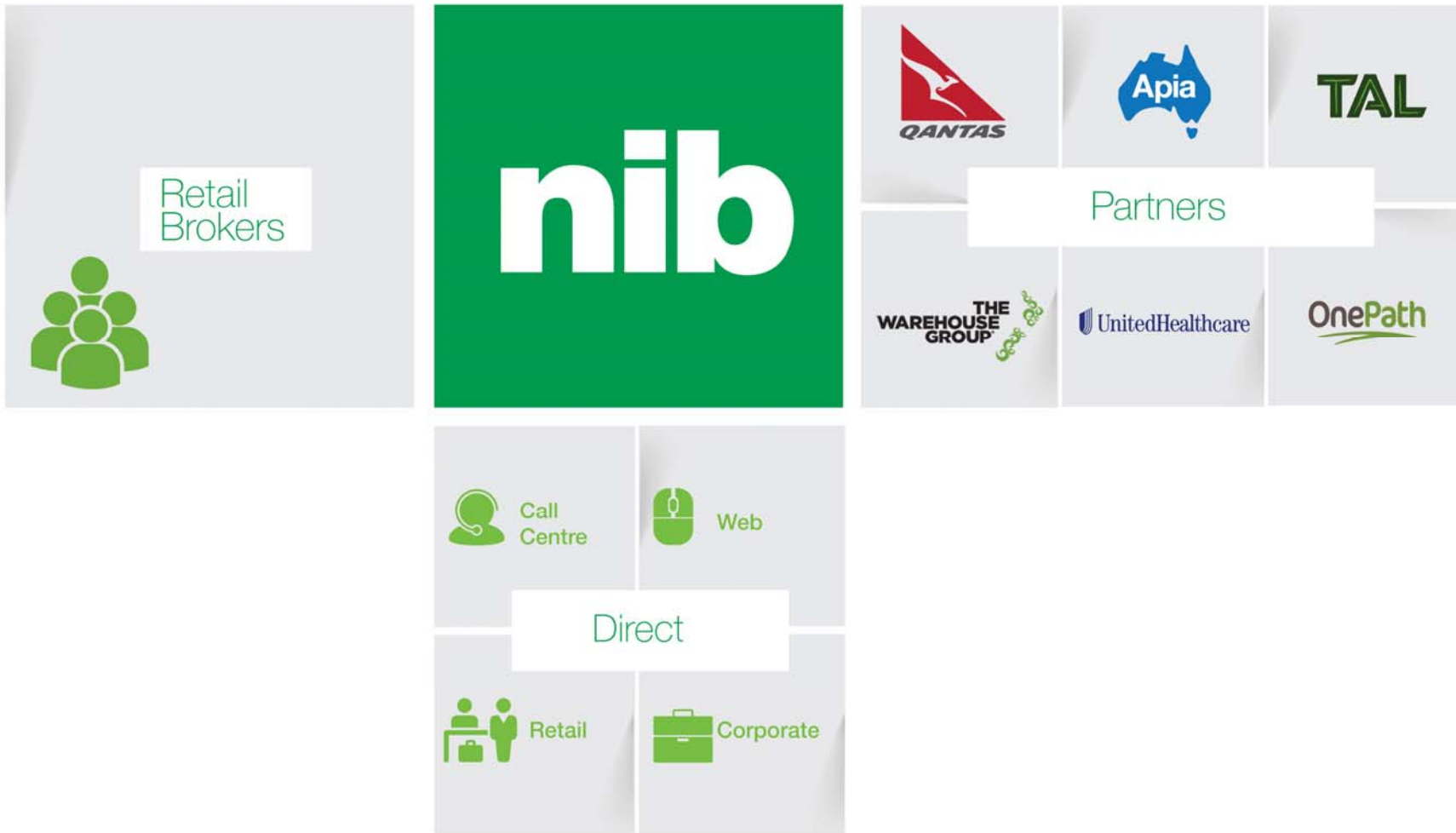
¹ WNG is a distributor of travel insurance and earns a commission for policies sold, however GWP is shown as it is a key performance metric of the business, noting GWP excludes other sources of income such as Emergency Travel Assistance and Managing General Agent fees

² Data shown for 1H16 is a 6 month result, noting WNG business acquired 31 July 2015, with 5 month result included in consolidated figures



Multi-channel strategy

Continuing to expand our distribution reach





Michelle McPherson

CHIEF FINANCIAL OFFICER & DEPUTY CEO

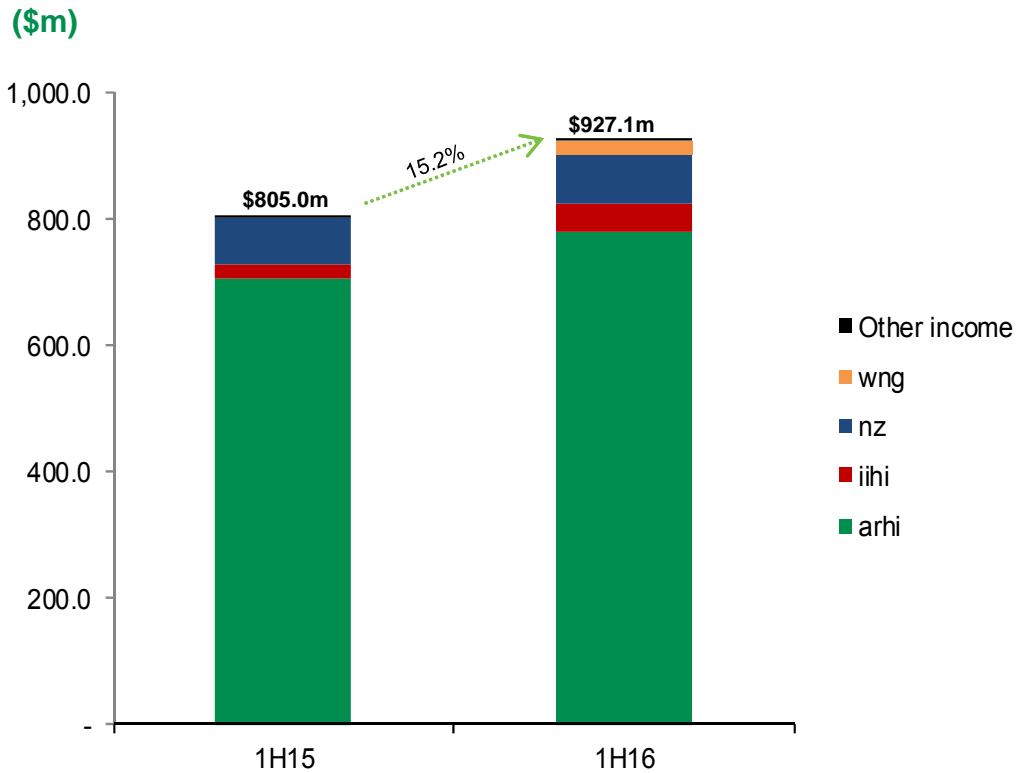
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Total Group Revenue

Strong track record of double-digit top line growth



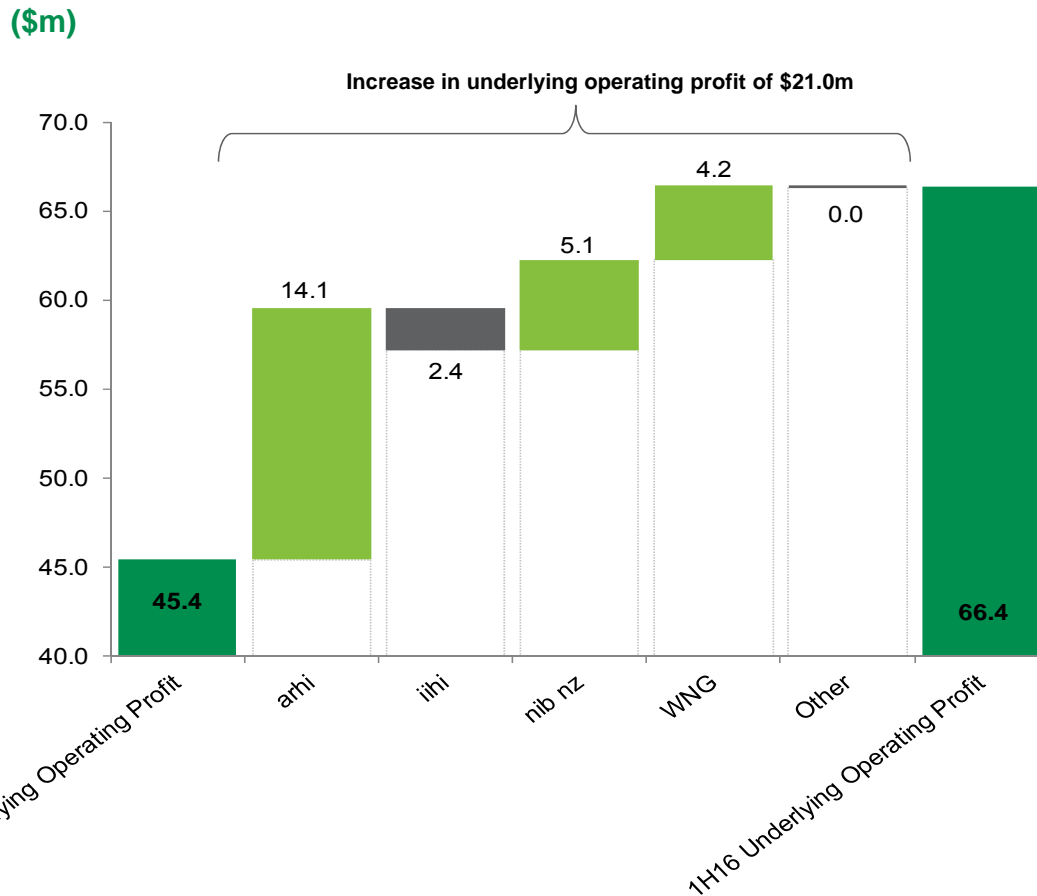
Total Group revenue up 15.2% to \$927.1m due to:

- arhi premium revenue up 10.5% due to combination of policyholder growth, product mix and pricing. Accounted for 84.3% of total group revenue.
- iihi premium revenue up 84.7% due to strong policyholder growth and award of Saudi international student book of business (March 2015).
- nib New Zealand premium revenue up 9.6% due to policyholder growth and pricing.
- First-time inclusion of World Nomads business of \$22.0m (acquired 31 July 2015, 5 month result).



Group Underlying Operating Profit

Gross margin accretion key to improved operating profit result



- Increase in Group underlying operating profit up 46.1% driven by:
 - Favourable arhi gross underwriting result (\$23.4m).
 - Improved NZ gross underwriting result (\$6.7m).
 - Contribution from World Nomads (\$4.2m; 5 month result with business acquired 31 July 2015).
- Group claims expense up 10.4% to \$739.9m.
- Increased in underwriting expenses driven by:
 - arhi underwriting expenses up \$9.2m predominantly due to marketing (direct and indirect) expenses and investment in new business opportunities (e.g. Qantas).
 - \$2.8m increase in iihi costs primarily for marketing and employee costs to support business expansion.
 - nib NZ expenses up \$1.6m due to increase in commissions from higher advisor sales in 1H16 and investment in growth and cost efficiency initiatives.



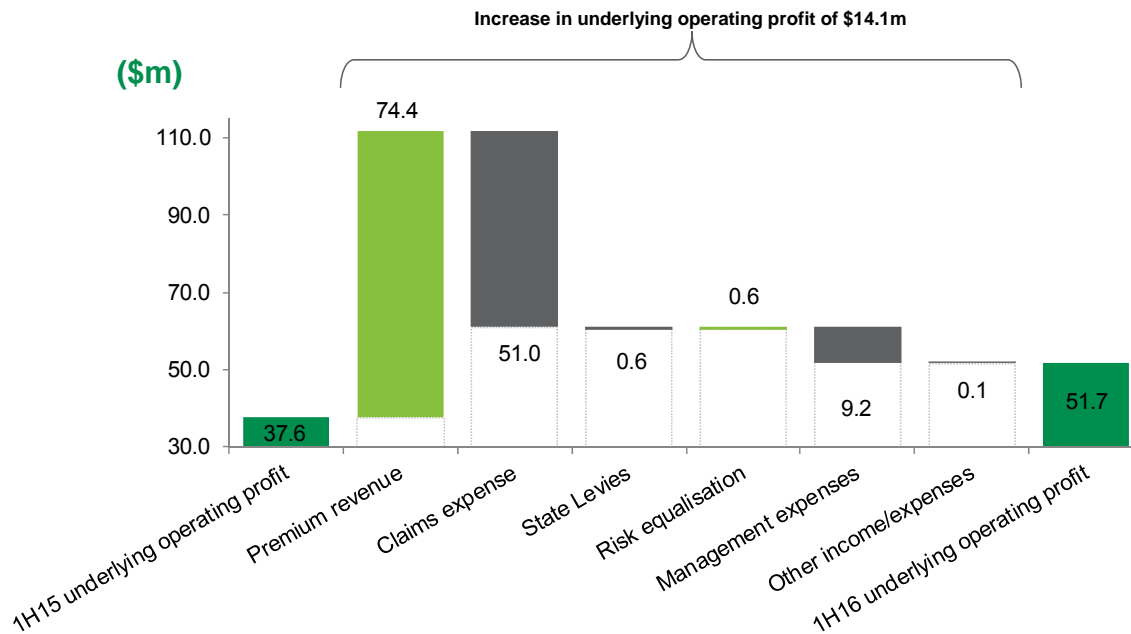
Australian Residents Health Insurance (arhi)

Strong sales and gross margin improved underwriting performance



	1H16	1H15	Change
Policyholder growth (%)	1.8	0.9	+0.9%
Premium revenue (\$m)	781.3	706.9	+10.5%
Claims expense ¹ (\$m)	(663.5)	(612.5)	+8.3%
Gross underwriting result (\$m)	117.8	94.4	+24.8%
Underlying operating profit (\$m)	51.7	37.6	+37.6%

- Underlying operating profit result up 37.6%:
 - Sales volume remains strong (nib net growth of 1.8%²).
 - Sales direct accounted for 53.5% of all sales, indirect 46.5% (1H15 – direct: 72.0%, indirect: 28.0%).
 - Lapse³ of 5.3% (1H15: 5.5%) remains a function of growth with efforts to improve retention showing positive signs.
 - Policy upgrading on par with downgrading.
 - Average Premium Income (API) grew 4.8%.
 - Improved gross margin of 15.1% (1H15: 13.4%) attributed to better combating adverse selection, favourable shift in product mix, lower industry claims utilisation and pricing.
- Increase in direct marketing spend and higher amortisation charges (DAC), as well as investment in new business opportunities (e.g. Qantas) led to a 40bps increase in MER to 8.5%.
- 1H16 net margin 6.6% (1H15: 5.3%).



¹ Includes Risk Equalisation and State Levies

² At the time of finalising this presentation APRA had not published the comparable industry statistic

³ nib has recently changed the way it calculates lapse to be in line with other industry participants. Refer Slide 27 for comparison of both methods.



International (Inbound) Health Insurance (iihi)

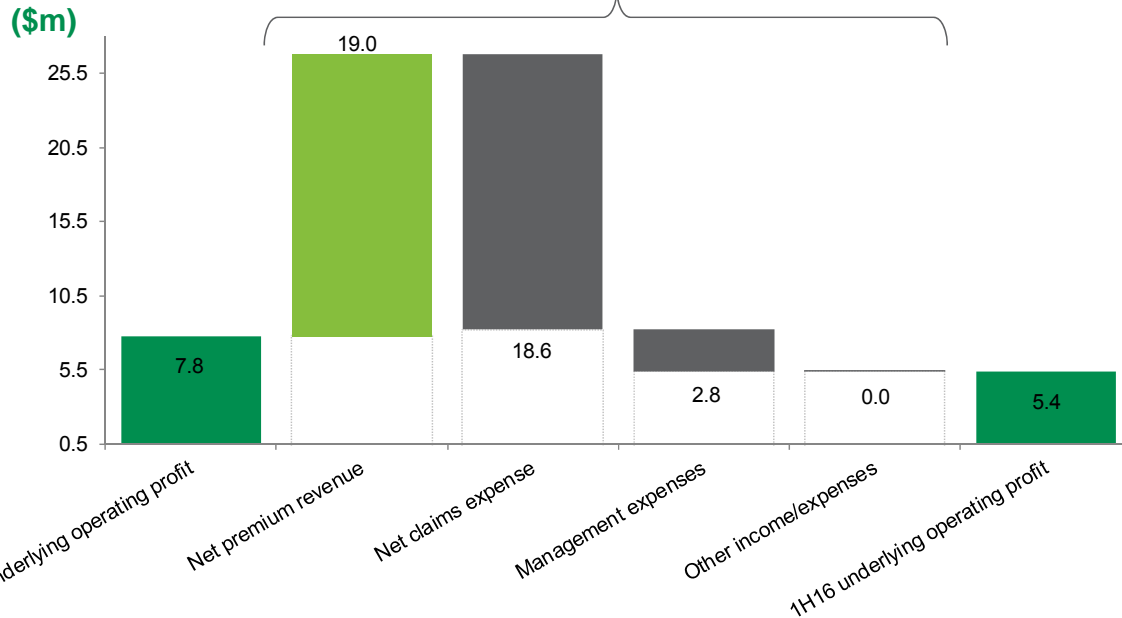
Powerful policyholder growth with gross margin challenges being redressed



	1H16	1H15	Change
Policyholder growth (%)	14.5	22.3	-7.8%
Premium revenue (\$m)	41.5	22.5	+84.7%
Claims expense (\$m)	(27.4)	(8.8)	+212.7%
Gross underwriting result (\$m)	14.1	13.7	+3.1%
Underlying operating profit (\$m)	5.4	7.8	-30.9%

- Policyholder growth driven by strong pipeline of direct international students sales, Saudi contract and growth in international visitors visa classes.
- nib now provides cover to almost 100,000 international students and workers (persons covered).
- Some softening of 457 visas granted, offset by targeting other worker visa classes supported by upstream distribution strategy.
- Gross margin deterioration explained by Saudi business.
- Management expenses up 46.2% to \$8.9m to support growth (marketing and employment costs) as well as support new Saudi business.
- Gross margin and profitability expected to rebound following Saudi contract being discontinued (from 1 March 2016).

Decrease in underlying operating profit of \$2.4m



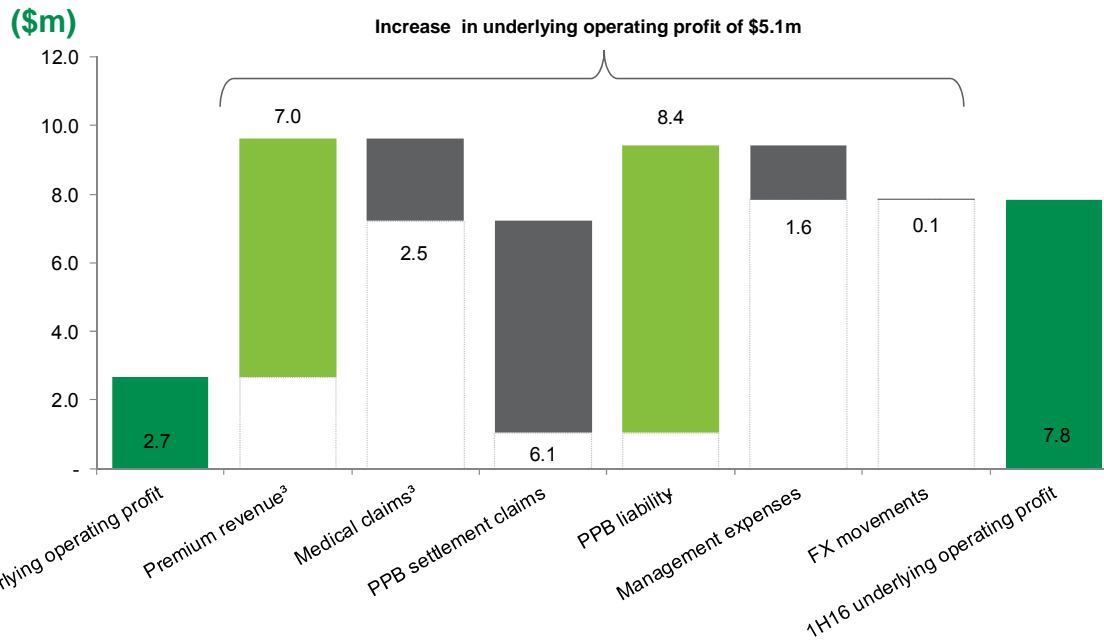


nib New Zealand

Improved result underpinned by leveraging scale and scope



	1H16	1H15	Change
Policyholder growth (%)	25.2 ¹	3.3	+21.9%
Premium revenue (\$m)	79.9	72.9	+9.6%
Claims (excluding PPB ² settlement) (\$m)	(46.7)	(44.2)	+5.7%
Gross underwriting result (\$m)	30.8	24.1	+28.0%
Underlying operating profit (\$m)	7.8	2.7	+194.7%



- Underlying operating profit reflects strong policyholder growth of 25.2%¹, success of PPB² settlement campaign and lower than forecast claims.
- OnePath transition arrangements progressing well. Positive feedback to date from advisors and no material shock lapse.
- Whitelabelling distribution partnerships appear an opportunity, with relationship with The Warehouse Group launched in November 2015.
- Efforts in 2H16 to focus on retention particularly in DTC channel, accelerating further digital and automation initiatives, further leveraging Group expertise and continued investment in policyholder growth (DTC, corporate/advisors and whitelabel).

¹ Includes policyholders from acquisition of OnePath Life NZ medical insurance business announced October 2015. Excluding OnePath Life NZ, net policyholder growth for 1H16 was 2.4%.

² PPB – Premium Payback product

³ 'Premium revenue and 'Medical claims' include normal PPB premium revenue and claims.



World Nomads Group

World Nomads maiden contribution in line with expectations



	1H16 ¹
Gross Written Premium (\$m) ²	51.8
Operating income (\$m)	22.0
Operating expenses (\$m)	(17.8)
Underlying operating profit (\$m)	4.2

¹ 1H16 is a 5 month result with WNG business acquired on 31 July 2015

² WNG is a distributor of travel insurance and earns a commission for policies sold, however GWP is shown as it is a key performance metric of the business, noting GWP excludes other sources of income such as Emergency Travel Assistance and Managing General Agent fees

- World Nomads Group (WNG) underlying operating profit of \$4.2m, with 1H16 a 5 month result (business acquired 31 July 2015).
- WNG transition and integration has gone smoothly.
- Strong international growth is compensating for flat domestic market sales.
- The business performed in line with expectations for the period and is on track to achieve a full year underlying operating profit result of at least \$10m.

World Nomads Group brands





Investments, Gearing & Capital

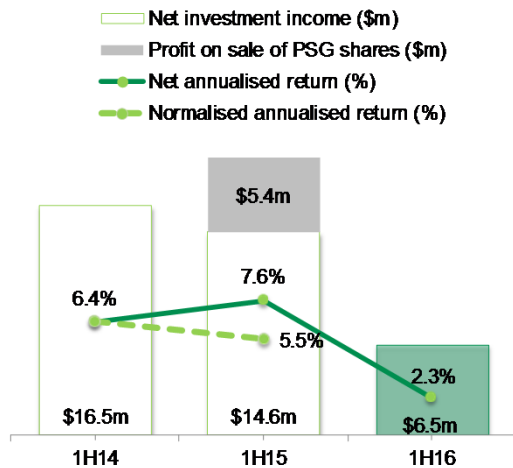
More efficient balance sheet following M&A



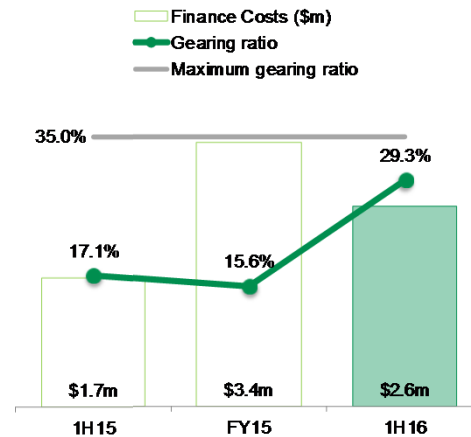
	1H16	1H15	Change
Net investment income (\$m)	6.5	20.0	-67.5%
Finance costs (\$m)	(2.6)	(1.7)	+55.5%
Available capital above internal targets (\$m) ¹	4.0	47.5	-91.6%

¹ Allowing for payment of interim dividend

Investments



Gearing



- Target capital and gearing is in line with stated internal policies.
- Lower available capital due to M&A in 1H16 (WNG and OnePath Life NZ).
- Lower investment income a combination of one off FY15 gain from sale of shareholding in PSG, lower funds invested (M&A) and equity market performance.
- Consolidated portfolio (82%/18%, Defensive/Growth) performed inline with market benchmarks.
- Increase in finance costs due to increased debt funding associated with WNG acquisition (31 July 2015).
- Interest cover of 26:1 at 31 December 2015 well above debt covenant.
- Sale of Newcastle office building for \$46.6m (15 year lease, plus 2 x 5 year options) with settlement 29 February 2016.

A person is running away from the camera on a paved path. The scene is bathed in the warm, golden light of a sunset or sunrise, with long shadows cast on the ground. The background is a soft-focus landscape of trees and grass.

Mark Fitzgibbon

CEO & MANAGING DIRECTOR

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The nib logo consists of the lowercase letters 'nib' in a white, bold, sans-serif font, centered within a solid green square.

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Outlook

FY16 outlook remains positive



- Real healthcare spending will continue to grow circa GDP + 2%¹.
- Expect PHI reforms will be a net positive:
 - Prosthetic pricing
 - Risk equalisation
 - Primary care and MBS Review
 - New funding devices (e.g. health savings accounts)
 - Hospital contracting (i.e. Federation Whitepaper Option 2)
- Claims inflation may be taking a lower trajectory with opportunities to improve PHI affordability and stabilise margins.
- Adjacent businesses will increase contribution to earnings including significant improvement in international (inbound) business from FY17.
- Some building pressures on PHI industry consolidation.
- Whitecoat digital platform will help reduce over servicing/cost variation and generally improve consumer sovereignty.

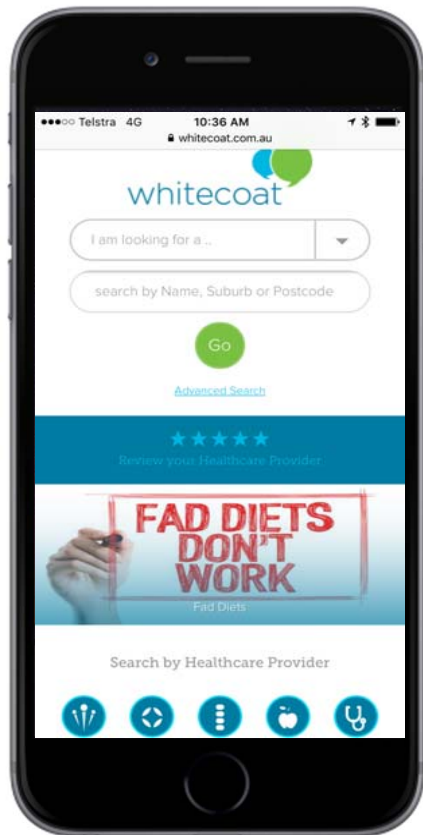
	Total Health Expenditure	GDP
	Average annual growth rate (%)	Growth rate (%)
2003-04 to 2008-09	5.78	3.08
2008-09 to 2013-14	4.23	2.60
2003-04 to 2013-14	5.00	2.84

¹ Source: Australian Institute of Health and Welfare 2015. Health expenditure Australia 2013-14. Health and welfare expenditure series no. 54. Cat. No. HWE 63. Canberra: AIHW.



Whitecoat

Showcases the potential of the “digital era” to empower customers



- Whitecoat’s purpose is to help consumers:
 - Make more informed decisions around their health.
 - Choose treatment options and healthcare providers.
 - Connect and transact with providers.
 - Improve engagement with providers and share experiences with other consumers.
- Progress to date:
 - 200,000 patient reviews.
 - More than 30,000 providers registered.
 - Expecting 2 million visitors this year.
- Priorities:
 - Wide engagement by PHI and large provider groups (including in NZ).
 - Government engagement in Australia and NZ.
 - Expand provider registration.
 - Launch of Whitecoat app and increase transactions.
 - Provider transparency and consumer awareness of fees and out of pocket costs.



FY16 Guidance

Guidance maintained with result likely to be at upper end of range



(\$m)	FY16 (Guidance)
Statutory operating profit	90 – 100
One-off transaction and M&A costs	4 - 5
One-off transaction and M&A costs (WNG)	3.5 – 4.5 ¹
One-off transaction and M&A costs (OnePath NZ)	0.3
Amortisation of acquired intangibles	8 – 9
Amortisation of acquired intangibles (IMAN)	1
Amortisation of acquired intangibles (nib NZ)	3
Amortisation of acquired intangibles (WNG)	3 – 4
Amortisation of acquired intangibles (OnePath NZ)	1
Underlying operating profit	102 – 114

- FY16 consolidated underlying operating profit of \$102m – \$114m (statutory operating profit of \$90m – \$100m), with result likely to be at upper end of the range.
- FY16 investment income forecast to be lower than FY15 in light of a lower return environment and a reduced capital base (as a result of capital management initiatives) and M&A. FY16 investment returns to be in line with relevant internal benchmarks².
- Ordinary dividend payout ratio 60%–70% of full year NPAT.

¹ Includes accrual of potential retention bonuses associated with WNG acquisition subject to satisfying service period.

² Internal Investment benchmarks

- Australian Regulatory capital (75%/25% defensive/growth) – target for portfolio bank bill index plus 1%
- New Zealand regulatory capital (100% defensive) (1) For core portfolio target is a 6 month bank bill index (2) For premium payback portfolio target is a 3.0 years interest rate swap index
- Surplus capital (100% defensive) – bank bill index



Questions & Answers

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Appendix





nib Policyholder & Other Data



nib Group	1H15	1H16
Total policyholders	628,488	706,227
– Australian Residential Health Insurance	491,381	519,107
– International (inbound) Health Insurance	55,372	82,206
– nib New Zealand	81,735	104,914
nib New Zealand (Persons covered)	159,955	209,131
Employees (FTEs)	836	1,026 ²
arhi		
Net policyholder growth	0.9%	1.8%
Market share	7.7%	NA ¹
Persons covered	967,461	1,017,173
Average age of hospital persons covered (yrs)	37.2	38.4
Total policyholders “under 40”	210,772	207,678
– Growth in “under 40” segment	-2.5%	-1.3%
Total policyholders “over 55”	140,224	163,645
– Growth in “over 55” segment	5.9%	5.9%
Total hospital persons “20-39”	265,285	259,490
– Growth in hospital persons “20-39”	-2.4%	-1.6%
– Market share	9.8%	NA ¹
Total hospital persons “55+”	184,265	217,247
– Growth in hospital persons “55+”	6.0%	5.9%
– Market share	5.5%	NA ¹
arhi Sales by Channel (%)		
Direct (nib)	72.0%	53.5%
Broker	28.0%	46.5%

¹ At the time of finalising this presentation APRA had not published the December 2015 quarterly industry statistics

² FTEs include World Nomad Group employees



arhi Lapse Comparison



- nib has recently changed the way it reports lapse to be in line with other industry participants.
- Lapse is now calculated as:
 - Discontinued¹/Average (opening policyholder balance, closing policyholder balance)**Whereas previous nib method was:
 - Lapse²/opening policyholder balance**
- Table below shows comparison of both methods (going forward only the new method will be published).

(%)	1H12	1H13	1H14	1H15	1H16
New method	4.3	4.6	5.0	5.5	5.3
Previous method	4.5	4.7	5.2	5.7	6.1

¹ Discontinued is defined as a policyholder who joined in one quarter and lapsed in another quarter

² Lapse is defined as a policyholder who joined in one quarter and lapsed in any quarter



Detailed Income Statement



(\$m)	1H16	1H15	Change
Net premium revenue¹	902.7	802.3	+12.5%
– arhi	781.3	706.9	+10.5%
– iihl	41.5	22.5	+84.7%
– nibnz	79.9	72.9	+9.6%
Net claims expense¹	(638.8)	(560.6)	+13.9%
– arhi claims incurred	(554.5)	(503.6)	+10.1%
– iihl claims incurred	(27.4)	(8.8)	+212.7%
– nibnz claims incurred	(56.9)	(48.3)	+17.8%
Risk equalisation levy	(94.1)	(94.7)	-0.6%
– OSC risk equalisation margin	(2.5)	(0.4)	+530.1%
– Gross deficit	155.7	155.7	–
– Calculated deficit	(247.4)	(250.0)	-1.1%
State levies	(14.7)	(14.2)	+4.0%
Decrease/(Increase) in premium payback liability	7.8	(0.6)	-1460.4%
Net claims incurred (excluding claims handling)	(739.9)	(670.1)	+10.4%
Gross underwriting result	162.8	132.2	+23.1%
– arhi	117.8	94.4	+24.8%
– iihl	14.1	13.7	+3.1%
– nibnz	30.8	24.1	+28.0%
Underwriting expenses	(98.1)	(84.5)	+16.0%
– arhi	(66.2)	(57.0)	+16.1%
– iihl	(8.9)	(6.1)	+46.2%
– nibnz	(23.0)	(21.4)	+7.3%
Other income	24.5	2.0	+1105.1%
Other expenses	(22.7)	(4.3)	+434.6%
Underlying operating profit	66.4	45.4	+46.1%
– arhi	51.7	37.6	+37.6%
– iihl	5.4	7.8	-30.9%
– nibnz	7.8	2.7	+194.7%
– WNG	4.2	-	-
– nib Options	(1.0)	(1.8)	+46.8%
– unallocated	(1.8)	(0.8)	-127.2%
Amortisation of acquired intangibles	(3.5)	(2.0)	+78.8%
One-off transaction and M&A costs	(3.6)	(1.4)	-152.4%
Statutory Operating Profit	59.3	42.1	+41.0%

¹ Net of reinsurance



Detailed Management Expenses (Underwriting segments)



(\$m)	Employment	Marketing Direct	Marketing Indirect (Commissions Paid)	Marketing Indirect (Commissions deferred)	Marketing Indirect (Commissions amortised)	IT	Occupancy	Other	Total Management Expenses
Australian Residents Health Insurance									
1H14	24.9	9.6	10.1	(9.3)	2.4	4.9	3.2	6.9	52.7
2H14	24.9	10.8	7.5	(6.7)	3.0	4.4	2.7	7.1	53.7
1H15	26.5	11.7	8.2	(7.3)	3.6	4.8	2.8	6.7	57.0
2H15	26.5	14.1	23.9	(22.9)	4.8	5.1	3.0	7.4	61.9
1H16	28.0	12.7	13.1	(12.2)	6.5	5.1	2.6	10.4	66.2
International (Inbound) Health Insurance									
1H14	2.7	0.7	0.5	-	-	0.4	0.1	0.3	4.8
2H14	2.7	0.5	1.1	(1.4)	0.4	0.8	0.5	0.5	5.1
1H15	3.4	0.6	1.1	(1.0)	0.6	0.7	0.3	0.4	6.1
2H15	4.7	0.6	1.3	(1.3)	0.9	0.6	0.3	0.5	7.5
1H16	4.8	0.6	1.7	(1.5)	1.2	0.9	0.4	0.9	8.9
nib New Zealand									
1H14	5.2	3.0	9.2	(4.8)	4.3	0.9	0.3	1.8	19.9
2H14	6.9	2.7	8.9	(4.8)	5.1	1.4	0.4	1.2	21.7
1H15	6.2	2.8	10.5	(6.1)	4.5	1.3	0.5	1.7	21.4
2H15	6.3	2.0	9.8	(5.4)	5.1	1.6	0.7	1.7	21.6
1H16	6.6	2.2	13.3	(8.2)	4.8	1.4	0.6	2.3	23.0



Investment Asset Allocation



	Consolidated		Australian Investment Portfolio		New Zealand Investment Portfolio	
	Balance (\$m) at 31/12/15	Allocation (%) at 31/12/15	Net return (\$m) 6 months to 31/12/15	Allocation (%) at 31/12/15	Net return (\$m) 6 months to 31/12/15	Allocation (%) at 31/12/15
Cash ¹	97.1	17.8%	1.7	19.1%	0.2	11.6%
Fixed Interest	346.9	63.7%	2.7	58.7%	1.5	88.4%
Total defensive	444.1	81.6%	4.4	77.8%	1.8	100%
Australian Shares	30.6	5.6%	(0.1)	6.8%	–	–
Global shares – hedged	4.2	0.8%	(0.1)	0.9%	–	–
Global shares – unhedged	26.5	4.9%	0.4	5.9%	–	–
Direct property ²	38.9	7.1%	0.0	8.6%	–	–
Property trusts	0.0	0.0%	0.1	0.0%	–	–
Total growth	100.2	18.4%	0.3	22.2%	0.0	0%
Total	544.3	100.0%	4.7	100%	1.8	100%

¹ Excludes operating cash of \$31.9m, noting total cash is split between cash and cash equivalents of \$98.9m and short term deposits of \$30.2m included in Financial Assets at Fair Value Through Profit or Loss.

² Sale of Newcastle office building for \$46.6m (15 year lease, plus 2 x 5 year options) with settlement 29 February 2016.

IT'S GOOD TO BE
HUMAN

2016 HALF YEAR RESULTS INVESTOR PRESENTATION

MONDAY 22 FEBRUARY 2016

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