

# ASX release

19 February 2026

## **Medibank Private Limited (MPL) – Financial results for half year ended 31 December 2025**

In accordance with the Listing Rules, Medibank releases the following documents to the market:

- (a) HY26 Results – Appendix 4D, Directors' Report and Financial Report;
- (b) HY26 Results – Media Release; and
- (c) HY26 Results – Investor Presentation.

**These documents have been authorised for release by the Board.**

**For further information please contact:**

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**MEDIBANK PRIVATE LIMITED**  
**ABN 47 080 890 259**  
**RESULTS FOR ANNOUNCEMENT TO THE MARKET**

	Half-year ended		Movement \$m	Movement %
	31 Dec 2025 \$m	31 Dec 2024 \$m		
Health Insurance revenue	4,296.1	4,113.9	182.2	4.4%
Other operating revenue	207.4	156.8	50.6	32.3%
<b>Revenue (excluding net investment) from ordinary activities</b>	<b>4,503.5</b>	<b>4,270.7</b>	<b>232.8</b>	<b>5.5%</b>
<b>Profit after tax from ordinary activities attributable to equity holders of the parent entity</b>	<b>302.9</b>	<b>340.3</b>	<b>(37.4)</b>	<b>(11.0%)</b>
<b>Net profit from ordinary activities attributable to equity holders of the parent entity</b>	<b>302.9</b>	<b>340.3</b>	<b>(37.4)</b>	<b>(11.0%)</b>

For further information, refer to the directors' report in the attached interim financial report of Medibank Private Limited for the half-year period ended 31 December 2025. The Medibank Private Limited Group comprises the consolidated entity, consisting of Medibank Private Limited and its subsidiaries for the half-year period ended 31 December 2025.

**Dividend information**

On 9 October 2025, a fully franked final ordinary dividend of 10.20 cents per ordinary share was paid to shareholders, in respect of the six months ended 30 June 2025.

A fully franked interim ordinary dividend of 8.30 cents per ordinary share was determined on 19 February 2026 in respect of the six months ended 31 December 2025. This dividend is payable on 18 March 2026 to shareholders on the register as at close of business on 27 February 2026.

**Net tangible assets per ordinary share**

Net tangible assets are defined as the net assets of the Medibank Private Limited Group less intangible assets and right-of-use assets.

	31 Dec 2025 cents	31 Dec 2024 cents
Net tangible assets per ordinary share	54.7	65.3

This report is lodged with the ASX under listing rule 4.2A. This report is also to be read in conjunction with the Medibank Private Limited annual financial report for the year ended 30 June 2025, together with any public announcements made by Medibank Private Limited in accordance with its continuous disclosure obligations.

For personal use only

**MEDIBANK PRIVATE LIMITED**

**ABN 47 080 890 259**

**INTERIM FINANCIAL REPORT  
31 DECEMBER 2025**

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The directors of Medibank Private Limited (Medibank) present their report on the consolidated entity consisting of Medibank and its subsidiaries (collectively referred to as the Group) for the half-year ended 31 December 2025.

## Directors

The names of directors in office during the half-year and up to the date of this report, unless stated otherwise, are as follows:

### Current

- Mike Wilkins AO – Chair
- David Koczkar – Chief Executive Officer
- Dr Tracey Batten
- Gerard Dalbosco
- Peter Everingham
- Kathryn Fagg AC
- Jacqueline Hey (appointed effective 19 November 2025)
- Dr Lisa McIntyre (appointed effective 19 November 2025)

### Former

- David Fagan (retired effective 19 November 2025)
- Linda Nicholls AO (retired effective 19 November 2025)
- Jay Weatherill AO (retired effective 31 December 2025)

## Review of operations

Six months ended 31 December (\$m)	2025	2024	Change
<b>Group revenue from external customers</b>	<b>4,503.5</b>	<b>4,270.7</b>	<b>5.5%</b>
Health Insurance operating profit <sup>1</sup>	361.5	349.2	3.5%
Medibank Health segment profit	48.3	37.6	28.5%
<b>Segment operating profit</b>	<b>409.8</b>	<b>386.8</b>	<b>5.9%</b>
Corporate overheads	(28.1)	(26.7)	5.2%
<b>Group operating profit</b>	<b>381.7</b>	<b>360.1</b>	<b>6.0%</b>
Net investment income	94.9	114.5	(17.1%)
Other income/(expenses)	(17.0)	(8.0)	112.5%
Cybercrime costs	(15.0)	(17.2)	(12.8%)
<b>Profit before tax, before movement in COVID-19 reserve</b>	<b>444.6</b>	<b>449.4</b>	<b>(1.1%)</b>
Movement in COVID-19 reserve (excl. tax)	-	43.6	n.m.
<b>Profit before tax</b>	<b>444.6</b>	<b>493.0</b>	<b>(9.8%)</b>
Income tax expense	(137.5)	(148.9)	(7.7%)
Non-controlling interests	(4.2)	(3.8)	10.5%
<b>NPAT attributable to Medibank shareholders</b>	<b>302.9</b>	<b>340.3</b>	<b>(11.0%)</b>
Effective tax rate	30.9%	30.2%	70bps
Earnings per share (EPS) (cents)	11.0	12.4	(11.0%)
Normalisation for investment returns	(5.1)	(11.1)	(54.1%)
Normalisation for COVID-19 reserve movements	-	(30.5)	n.m.
<b>Underlying NPAT<sup>2</sup></b>	<b>297.8</b>	<b>298.7</b>	<b>(0.3%)</b>
Underlying EPS (cents) <sup>2</sup>	10.8	10.8	-
<b>Dividend per share (cents)</b>	<b>8.3</b>	<b>7.8</b>	<b>6.4%</b>
Dividend payout ratio <sup>2</sup>	76.8%	71.9%	490bps

1. Health Insurance operating profit excludes the impacts of COVID-19. These impacts were included in the COVID-19 equity reserve which was finalised in FY25.

2. Underlying NPAT is statutory NPAT normalised for growth asset returns to historical long-term expectations, credit spread movements, movement in COVID-19 reserve and one-off items. Dividend payout ratio based on underlying NPAT.

Unless otherwise stated, discussion of performance in this section of the report is on a management basis, which is consistent with how performance is assessed internally. In the prior period, this includes reporting the

impacts of COVID-19 outside of Group operating profit. These impacts were included in the COVID-19 equity reserve, which was finalised in FY25.

### Group

Medibank's financial results for the six months ended 31 December 2025 (1H26) demonstrates how we are balancing resident policyholder growth and gross margin, shows continued revenue diversification and includes reinvestment for growth.

Group operating profit was up 6.0% to \$381.7 million, with solid growth in resident Health Insurance, an important contribution from non-resident Health Insurance and continued strong momentum in Medibank Health. Profit before tax of \$444.6 million includes a \$19.6 million decrease in net investment income that was impacted by a reduction in the average RBA cash rate. Modestly higher corporate overheads were largely driven by inflation, while the increase in other income and expenses included higher M&A costs and an increase in AASB 16 interest on lease liabilities.

Non-recurring cybercrime costs of \$15.0 million were lower than the prior comparable period and include further IT security uplift and legal and other costs associated with regulatory investigations and litigation relating to the 2022 cybercrime event. We expect non-recurring cybercrime costs of approximately \$35 million for the full year (FY26) (excludes impacts of any potential findings or outcomes from regulatory investigations or litigation) and that the IT security uplift program will largely be embedded by the end of FY26. In FY27, costs are expected to be largely related to ongoing regulatory investigations and litigation.

Underlying net profit after tax (NPAT), which adjusts statutory NPAT for any movement in the COVID-19 equity reserve and the normalisation of investment returns, decreased 0.3% to \$297.8 million. Reported NPAT attributable to Medibank shareholders decreased \$37.4 million to \$302.9 million. This was impacted by the timing and value of COVID-19 claims savings and customer give backs, which increased 1H25 statutory NPAT by \$30.5 million (no impact for COVID-19 reserve movements in 1H26 following the finalisation of the COVID-19 equity reserve at 30 June 2025).

Underlying earnings per share (EPS) was in line with 1H25 at 10.8 cents per share, while reported EPS was 11.0% lower at 11.0 cents per share.

The key reasons for the movements in the Health Insurance and Medibank Health results, as well as net investment income, are outlined in this report.

### Health Insurance overview

Our Health Insurance business has remained resilient despite a challenging economic environment.

Gross margin was stable at 16.2% with benefits from our disciplined approach to growth continuing, which includes lower hospital utilisation growth and an improved risk equalisation outcome. Policyholder growth of 1.9% was skewed to lower tier products, with impacts to revenue and claims largely offsetting.

Our expense ratio increased 10 basis points to 7.7% with higher operating expenses driven by inflation and ongoing investment in growth, resulting in a flat operating margin of 8.5%.

### Industry and customer growth

The resident health insurance market has remained buoyant with policyholder growth<sup>1</sup> in the 12 months to 31 December 2025 expected to be slightly lower than the 2.1% growth in the 12 months to 30 September 2025, with continued strong growth in the number of 25 to 30-year-old customers.

Cost-of-living pressures continue to impact the industry with switching rates remaining elevated, customer growth skewed to lower tier products, and aggregators increasing their share of industry joins. While the unsustainable competitive environment is moderating, pockets of heightened competition remain.

<sup>1</sup> Industry average, resident policyholders, APRA quarterly private health insurance statistics to Sep 25 with estimate for Dec 25 quarter.

For the 12 months to 31 December 2025 the number of resident policyholders increased by 38,300 or 1.9%, with the Medibank and ahm brands growing 0.8% and 4.9%, respectively. This includes an increase of 17,900 policyholders in 1H26, which is more than double the growth in the prior comparable period.

During the six months to 31 December 2025, the resident acquisition rate increased 40 basis points to 5.6%. The 50 basis point improvement in the Medibank brand acquisition rate to 4.6% includes the benefit from investing in brand differentiation. ahm was up 20 basis points to 8.7% supported by an enhanced digital customer experience, while the higher percentage of ahm joins through aggregator channels (54% in 1H26 versus 50% in 1H25) reflects volume growth.

Retention improved by 10 basis points to 4.7% despite higher industry switching rates. The Medibank brand was supported by investment in product benefits and the Live Better rewards program, while an enhanced customer experience and the extras limit rollover contributed to ahm's improvement.

Disciplined policyholder growth remains a focus in 2H26. This includes further improving retention through personalisation and integrated customer propositions, deepening brand differentiation through investment in new products and services, and increasing focus on acquisition in priority segments and ahm direct channels.

Our FY26 industry and policyholder growth outlook remains unchanged. We aim to grow market share in a disciplined way, including further volume growth in the Medibank brand. We still anticipate moderating industry growth relative to FY25.

In the non-resident business, average policy units increased by 1.4% with lower student visa approvals and modestly higher lapse. Acquisition in 2H26 is expected to be supported by the recently announced increase to student visa approvals and new opportunities in the worker segment.

### Revenue

During the period, Health Insurance revenue increased 4.3% to \$4,263.4 million reflecting a 4.3% increase in resident revenue to \$4,107.1 million and a 4.5% increase in non-resident revenue to \$156.3 million.

### Claims

Total gross claims increased 4.9% to \$3,589.7 million while net claims, which includes risk equalisation, increased 4.3% to \$3,572.5 million.

Resident gross claims increased 4.9% to \$3,489.0 million, while net claims expense was up 4.4% to \$3,471.8 million. Risk equalisation provided a 50 basis point benefit to net claims growth this period (60 basis point benefit in 1H25), with some of this benefit expected to be timing related.

Resident claims growth per policy unit increased 20 basis points to 2.5%, with a 310 basis point increase in extras claims growth partially offset by a 120 basis point decrease in hospital claims growth. In hospital, the increase in inflation reflects higher private hospital indexation, investment in product benefits and an increase in the New South Wales private room charges effective from 1 January 2025. The negative hospital utilisation growth reflects prior period claims favourability of \$43.6 million due to COVID-19 impacts and customer growth being skewed to lower tier products. The increase in extras claims growth includes the ahm limit rollover and reflects utilisation and inflation growth increasing following a period of subdued demand due to both economic and COVID-19 impacts.

In 2H26, we expect private hospital indexation to remain elevated and negative hospital utilisation growth to continue. While the risk equalisation timing benefit from the first half will unwind, we expect this to be largely offset by the higher New South Wales private room charges being fully embedded. We will maintain our proactive approach to claims management through broadening our partnership approach to hospital contracting, increasing the number of Medibank customers supported by personalised care models and expanding the use of artificial intelligence in our payment integrity program.

We continue to expect resident claims per policy unit growth of between 2.6% and 2.9% and that our proactive claims management approach will continue to differentiate us from the industry.

In non-resident, net claims expense increased by 3.3% to \$100.7 million.

### Gross Profit

Gross profit increased 4.4% to \$690.9 million, while gross margin was stable at 16.2%.

Resident gross margin was maintained at 15.5% reflecting our disciplined approach to growth with revenue and claims growth per policy unit of 2.5%. The 30 basis point decrease in revenue growth per policy unit to 2.5% reflects the higher average premium increase being offset by higher Revenue Mix<sup>2</sup>. The higher Revenue Mix of 150 basis points is similar to 2H25 and reflects increased investment in our Live Better rewards program, customer growth skewed to lower tier products and strong growth in ahm policies this period. Subject to no material change to the economic environment, we expect Revenue Mix for the full year to be better than 1H26, with an average 5.1% premium increase applicable from 1 April 2026.

In the non-resident business, solid revenue growth has continued with average policy units up 1.4% and revenue per policy unit growth increasing to 3.1%. Gross profit increased 6.9% to \$55.6 million and gross margin was 80 basis points higher at 35.6%, with an improved worker margin partially offset by tenure impacts on the student margin.

Non-resident remains an attractive market and in 2H26 we will build on emerging opportunities in the student and worker segments, continue to invest and differentiate our offering to grow market share, and increase our focus on customer lifecycle management.

Our aim to maintain solid non-resident gross profit growth in FY26 is unchanged.

### Operating costs

Expenses increased 5.4% to \$329.4 million, while the expense ratio was up 10 basis points to 7.7%.

Operating expenses were up 5.3% with cost inflation of approximately 4.0%, volume impacts and ongoing investment to support policyholder growth and further strengthen our foundations, which was partially offset by around \$3 million of productivity savings during the period.

Sales commissions were \$1.5 million higher with the increase in non-resident commissions in line with premium increases, while resident commissions were broadly in line with last year despite higher ahm aggregator joins.

In FY26 we expect expenses of between \$690 million to \$695 million. This includes \$10 million of targeted productivity savings as we continue to leverage our investment in analytics, digitisation and AI initiatives. We will continue to target a stable to modestly improving expense ratio, while balancing this aspiration with investing in further growth where this makes commercial sense.

### Medibank Health performance

Medibank Health segment profit increased 28.5% to \$48.3 million with a 27.9% increase in operating profit to \$51.4 million and broadly stable losses from our portfolio of joint venture short stay hospital investments this period.

Revenue increased 27.5% to \$291.1 million, with the key customer metrics underpinning business performance outlined below:

- In wellbeing, the 21.7% increase in revenue to \$88.5 million was in line with increased Live Better rewards participants and financial wellbeing policies. The 13.6% increase in Live Better rewards participants was supported by investment in the proposition and reward points give back, while increased investment in product differentiation and health insurance customer engagement contributed to the financial wellbeing policy growth.

<sup>2</sup> From 1H26, Medibank has replaced the term "downgrading" with "Revenue Mix". The underlying calculation is unchanged and continues to reflect the difference between the average premium rate rise and reported revenue growth per policy unit in the resident private health insurance segment.

- In primary care, revenue was 10.2% higher at \$130.2 million. There were 61 additional clinics following the acquisition of Better Medical on 16 December 2025, bringing the total number of clinics in our primary care network to 168. GP consultation numbers increased by 2.8%, with a growing proportion being virtual.
- In community and acute, revenue growth of 92.6% to \$72.4 million reflects strong volume growth in publicly funded programs (includes increased capacity in our Transition Care Service<sup>3</sup>) and increased ownership of Amplar Health Home Hospital in December 2024. Lower volumes in community care was a result of the business focusing on higher margin services.

Gross profit was up 21.6% to \$149.0 million, with a 240 basis point reduction in gross margin to 51.2% reflecting additional investment in the Live Better rewards program and business mix impacts (including in Wellbeing), which was partially offset by efficiency benefits in community and acute.

Expenses were 16.3% higher with inflation, volume related impacts and \$4 million of additional investment in the corporate health platform, virtual health capabilities and process and systems uplift. However, with growing scale the expense ratio was 250 basis points lower, with improvement across all three areas.

We continue to see strong organic growth potential with focus areas for 2H26 including meeting more health needs of more customers, scaling existing services with a broader set of payors, and realising synergy benefits across our recently expanded primary care network.

Our organic growth outlook has been updated with FY26 organic operating profit growth expected to be similar to 1H26 plus a c. \$6 million contribution from Better Medical in 2H26.

While we have invested c. \$230 million of our \$150 million to \$250 million FY24 to FY26 M&A target, a strong asset pipeline remains with both the appetite and financial capacity to pursue further opportunities consistent with our growth strategy and adding shareholder value. We aim to augment our organic growth with further M&A that scale and expand geographic coverage in primary care and add capability in virtual care and wellbeing.

### Net investment income

Net investment income decreased \$19.6 million or 17.1% to \$94.9 million, with a \$5.7 million and \$5.8 million reduction in our growth and defensive portfolio income, respectively.

The decrease in our growth portfolio income reflects lower income from all asset classes other than unlisted property which had a recovery in valuations. Our defensive portfolio income was impacted by a \$4.7 million decrease in interest income from the lower average RBA cash rate, partially offset by a \$2.4 million benefit from tighter credit spreads this period (\$1.9 million benefit in 1H25).

Net other investment income and expenses were \$8.1 million lower with a \$5.1 million reduction in income from non-health fund investments following the payment of the final customer give back in September 2025 and a \$1.9 million decrease in interest income due to the lower average RBA cash rate.

Consistent with previous practice, we have adjusted net investment income for the impact of short-term market returns that are expected to normalise over the medium to longer term in our underlying NPAT. After normalisation<sup>4</sup>, net investment income was down \$11.0 million from \$98.6 million in 1H25 to \$87.6 million this period. The \$11.0 million decrease in underlying net investment income includes a higher return on growth assets with manager outperformance in unlisted property (underperformance in 1H25) and a lower average RBA cash rate impacting the return on defensive assets. This resulted in the underlying investment return decreasing 26 basis points to 2.74%. On an annualised basis, this is a 184 basis point spread to the average RBA cash rate and within our full year target range of 150 basis points to 200 basis points.

In 2H26, we expect other investment income to be further impacted by the reduction in cash held following the Better Medical acquisition. We will continue to take actions including adjusting credit, duration and liquidity settings in the defensive portfolio to help offset this. The recent RBA cash rate increase provides a benefit in

<sup>3</sup> The Transition Care Service is a joint collaboration between SA Health, Amplar Health and the Pullman Adelaide.

<sup>4</sup> The adjustment normalises growth asset returns to long term market expectations and defensive returns for credit spread movements. Normalisation of returns for 1H26 benchmark performance decreased net investment income by \$7.3 million (1H25: decreased \$15.9 million).

2H26, with potential for further increases (\$7 million higher annual interest income for every 25 basis point change in RBA cash rate).

### Capital management and dividend

Medibank's capital management objective is to maintain a strong financial risk profile and capacity to pay all eligible customer benefits, invest in the growth of our business to provide a return to shareholders and to meet financial commitments.

- In June 2023 APRA announced an additional capital adequacy requirement of \$250 million for Medibank, with effect from 1 July 2023, following a review of the 2022 cybercrime event. As a result, we have temporarily increased Health Insurance business related capital to offset this supervisory adjustment. At 31 December 2025 this requirement remains in place.
- At 31 December 2025, Health Insurance required capital was \$1,202.3 million and 1.9 times<sup>5</sup> the prescribed capital amount (PCA), with unallocated capital of \$185.8 million.
- The target health insurance capital ratio is between 10% and 12% of premium revenue, however, the current ratio of 13.8% sits above this range to offset the \$250 million temporary APRA supervisory adjustment.
- The \$166.4 million increase in Medibank Health capital employed to \$562.8 million includes the Better Medical acquisition for consideration of \$163.5 million completed on 16 December 2025 and funding organic growth.

As a business we continue to have strong capital generation and are well placed to fund further inorganic growth with the unallocated capital position supporting our FY30 Medibank Health earnings aspiration of \$200 million (assumes c. \$700 million capital employed). We have both the capacity and willingness to raise Tier 2 debt to support growth beyond this aspiration should further attractive opportunities arise.

The directors have determined a fully franked interim dividend of 8.3 cents per share up 6.4% from 1H25, representing a payout ratio of 76.8% of underlying net profit after tax. The interim dividend will be paid on Wednesday 18 March 2026 to eligible shareholders on the register as at the close of business on Friday 27 February 2026.

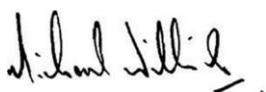
### Rounding of amounts

The amounts contained in this directors' report and in the interim financial report have been rounded to the nearest hundred thousand dollars (where rounding is applicable) unless specifically stated otherwise under the relief available pursuant to *ASIC Corporations (Rounding in Financial/Directors' Reports) Instrument 2016/191*. Medibank is an entity to which that relief applies.

### Auditor's independence declaration

A copy of the auditor's independence declaration as required by section 307C of the *Corporations Act 2001* is set out on page 7.

This report is made in accordance with a resolution of the directors.



Mike Wilkins AO  
Chair



David Koczkar  
Chief Executive Officer

19 February 2026  
Melbourne

<sup>5</sup> Calculated as Required Health Insurance capital less APRA supervisory adjustment, divided by Fund PCA less APRA adjustment.



## Auditor's Independence Declaration

As lead auditor of Medibank Private Limited's financial report for the half-year ended 31 December 2025

I declare that to the best of my knowledge and belief, there have been:

- a) no contraventions of the auditor independence requirements of the *Corporations Act 2001* in relation to the review of the financial report; and
- b) no contraventions of any applicable code of professional conduct in relation to the review of the financial report.

*M. Laithwaite*

Marcus Laithwaite  
Partner  
PricewaterhouseCoopers

Melbourne  
19 February 2026

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## Consolidated statement of comprehensive income

For the half year ended 31 December 2025

	Note	31 Dec 2025 \$m	31 Dec 2024 \$m
<b>Insurance revenue</b>	2(a) 4(a)	<b>4,296.1</b>	<b>4,113.9</b>
<b>Insurance service expenses</b>			
Incurring claims	4(a)	(3,527.4)	(3,339.1)
Other insurance service expenses	3	(329.9)	(312.1)
		<b>(3,857.3)</b>	<b>(3,651.2)</b>
<b>Insurance service result</b>		<b>438.8</b>	<b>462.7</b>
Other operating revenue	2(a)	207.4	156.8
Other expenses	3	(290.2)	(236.5)
Share of net profit/(loss) from equity accounted investments		(6.3)	(4.5)
<b>Profit before net investment income and income tax</b>		<b>349.7</b>	<b>378.5</b>
Net investment income	6(b)	94.9	114.5
<b>Profit for the half-year before income tax</b>		<b>444.6</b>	<b>493.0</b>
Income tax expense		(137.5)	(148.9)
<b>Profit for the half-year</b>		<b>307.1</b>	<b>344.1</b>
<b>Total comprehensive income for the half-year, net of tax</b>		<b>307.1</b>	<b>344.1</b>
<b>Profit and total comprehensive income for the half-year attributable to:</b>			
Equity holders of the parent entity		302.9	340.3
Non-controlling interests		4.2	3.8
		<b>307.1</b>	<b>344.1</b>
		<b>cents</b>	<b>cents</b>
<b>Earnings per share attributable to ordinary equity holders of the parent entity - basic and diluted</b>		<b>11.0</b>	<b>12.4</b>

The above statement should be read in conjunction with the accompanying notes.

## Consolidated statement of financial position

As at 31 December 2025

	Note	31 Dec 2025 \$m	30 Jun 2025 \$m
<b>Current assets</b>			
Cash and cash equivalents		453.3	648.6
Trade and other receivables		70.4	66.4
Financial assets at fair value	6(b)	2,569.2	3,062.5
Tax receivable		70.0	-
Other assets		44.2	34.1
<b>Total current assets</b>		<b>3,207.1</b>	<b>3,811.6</b>
<b>Non-current assets</b>			
Property, plant and equipment		255.9	194.2
Intangible assets		670.9	499.9
Deferred tax assets		84.3	146.5
Equity accounted investments		35.7	39.0
Other assets		9.6	9.1
<b>Total non-current assets</b>		<b>1,056.4</b>	<b>888.7</b>
<b>Total assets</b>		<b>4,263.5</b>	<b>4,700.3</b>
<b>Current liabilities</b>			
Trade and other payables		150.4	170.5
Lease liabilities		33.7	29.2
Borrowings		-	35.0
Insurance contract liabilities	4(b)	1,156.5	1,606.1
Tax liability		-	34.4
Provisions and employee entitlements		115.1	128.6
<b>Total current liabilities</b>		<b>1,455.7</b>	<b>2,003.8</b>
<b>Non-current liabilities</b>			
Trade and other payables		46.2	35.4
Lease liabilities		205.8	144.8
Borrowings		36.0	-
Insurance contract liabilities	4(b)	143.8	147.8
Provisions and employee entitlements		36.9	32.4
<b>Total non-current liabilities</b>		<b>468.7</b>	<b>360.4</b>
<b>Total liabilities</b>		<b>1,924.4</b>	<b>2,364.2</b>
<b>Net assets</b>		<b>2,339.1</b>	<b>2,336.1</b>
<b>Equity</b>			
Contributed equity		85.0	85.0
Reserves		16.1	27.4
Retained earnings		2,245.5	2,223.5
<b>Total equity (attributable to equity holders of the parent entity)</b>		<b>2,346.6</b>	<b>2,335.9</b>
Non-controlling interests		(7.5)	0.2
<b>Total equity</b>		<b>2,339.1</b>	<b>2,336.1</b>

The above statement should be read in conjunction with the accompanying notes.

## Consolidated statement of changes in equity

For the half-year ended 31 December 2025

	Total equity (attributable to equity holders of the parent entity)				Non-controlling interests	Total equity
	Contributed equity	Reserves	Retained earnings	Total		
	\$m	\$m	\$m	\$m	\$m	\$m
<b>Balance at 1 July 2024</b>	<b>85.0</b>	<b>152.3</b>	<b>2,068.4</b>	<b>2,305.7</b>	<b>(0.6)</b>	<b>2,305.1</b>
Profit for the half-year	-	-	340.3	340.3	3.8	344.1
<b>Total comprehensive income for the half-year</b>	<b>-</b>	<b>-</b>	<b>340.3</b>	<b>340.3</b>	<b>3.8</b>	<b>344.1</b>
Dividends paid	-	-	(258.9)	(258.9)	(4.1)	(263.0)
Movement in COVID-19 reserve, net of tax	-	30.5	(30.5)	-	-	-
Other movements in non-controlling interests	-	-	-	-	(0.9)	(0.9)
Acquisition and settlement of share-based payment, net of tax	-	(5.8)	-	(5.8)	-	(5.8)
Share-based payment transactions	-	5.3	-	5.3	-	5.3
<b>Balance at 31 December 2024</b>	<b>85.0</b>	<b>182.3</b>	<b>2,119.3</b>	<b>2,386.6</b>	<b>(1.8)</b>	<b>2,384.8</b>
<b>Balance at 1 July 2025</b>	<b>85.0</b>	<b>27.4</b>	<b>2,223.5</b>	<b>2,335.9</b>	<b>0.2</b>	<b>2,336.1</b>
Profit for the half-year	-	-	302.9	302.9	4.2	307.1
<b>Total comprehensive income for the half-year</b>	<b>-</b>	<b>-</b>	<b>302.9</b>	<b>302.9</b>	<b>4.2</b>	<b>307.1</b>
Dividends paid	-	-	(280.9)	(280.9)	(4.2)	(285.1)
Recognition of put option liability over non-controlling interests	-	(7.0)	-	(7.0)	-	(7.0)
Purchase of additional shares from non-controlling interests	-	-	-	-	(7.9)	(7.9)
Other movements in non-controlling interests	-	-	-	-	0.2	0.2
Acquisition and settlement of share-based payment, net of tax	-	(8.9)	-	(8.9)	-	(8.9)
Share-based payment transactions	-	4.6	-	4.6	-	4.6
<b>Balance at 31 December 2025</b>	<b>85.0</b>	<b>16.1</b>	<b>2,245.5</b>	<b>2,346.6</b>	<b>(7.5)</b>	<b>2,339.1</b>

The above statement should be read in conjunction with the accompanying notes.

## Consolidated statement of cash flows

For the half-year ended 31 December 2025

	Note	31 Dec 2025 \$m	31 Dec 2024 \$m
<b>Cash flows from operating activities</b>			
Premium receipts		3,883.8	3,663.3
Medibank Health receipts		222.5	170.3
Payments for claims and levies		(3,567.0)	(3,343.3)
Payments to suppliers and employees		(630.1)	(566.9)
Income taxes paid		(166.1)	(98.0)
<b>Net cash outflow from operating activities</b>		<b>(256.9)</b>	<b>(174.6)</b>
<b>Cash flows from investing activities</b>			
Interest received		57.3	67.2
Trust distributions received		14.5	4.9
Investment expenses		(2.6)	(3.2)
Net proceeds from sale of financial assets		522.1	201.1
Purchase of equity accounted investments		(1.5)	(4.2)
Loan to associate		-	(0.5)
Payments for the purchase of businesses, net of cash acquired	7(b)	(158.4)	6.1
Purchase of plant and equipment		(9.6)	(8.2)
Purchase of intangible assets		(34.1)	(32.9)
<b>Net cash inflow from investing activities</b>		<b>387.7</b>	<b>230.3</b>
<b>Cash flows from financing activities</b>			
Purchase of shares to settle share-based payment		(10.7)	(6.4)
Lease principal and interest payments		(23.4)	(23.3)
Proceeds from borrowings		1.0	-
Purchase of additional shares from non-controlling interests		(7.9)	-
Dividends paid to non-controlling interests		(4.2)	(4.1)
Dividends paid to equity holders of the parent entity		(280.9)	(258.9)
<b>Net cash outflow from financing activities</b>		<b>(326.1)</b>	<b>(292.7)</b>
<b>Net decrease in cash and cash equivalents</b>		<b>(195.3)</b>	<b>(237.0)</b>
Cash and cash equivalents at beginning of the half-year		648.6	691.0
<b>Cash and cash equivalents at end of the half-year</b>		<b>453.3</b>	<b>454.0</b>

The above statement should be read in conjunction with the accompanying notes.

### Note 1: Basis of preparation

Medibank Private Limited (Medibank) is a for-profit company incorporated in Australia, whose shares are publicly traded on the Australian Securities Exchange (ASX).

#### (a) Basis of preparation of consolidated interim financial report

The consolidated interim financial report for the half-year period ended 31 December 2025 has been prepared in accordance with AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. The financial statements are for the consolidated entity (the Group), consisting of Medibank and its subsidiaries.

The principal accounting policies adopted in the preparation of these consolidated financial statements are consistent with those applied in the preparation of the annual financial report for the year ended 30 June 2025, updated for the application of new and amended standards. This report includes, where necessary, updates to prior period comparatives for changes in classification of amounts in the current reporting period.

The consolidated interim financial report does not include all notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2025 and any public announcements made by Medibank during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001* and ASX Listing Rules.

#### (b) Critical accounting estimates and judgements

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are the same as those applied in the annual financial report for the year ended 30 June 2025.

### Note 2: Segment information

#### (a) Segment information provided to the Chief Executive Officer (CEO)

The CEO measures the performance of the Group's reportable segments based on the operating profit of the segments. The segment information provided to the CEO for the half-year ended 31 December 2025 is as follows.

31 Dec 2025	Health Insurance \$m	Medibank Health \$m	Total \$m
<b>Revenue</b>			
Revenue from external customers	4,263.4	240.1	4,503.5
Inter-segment revenue	-	51.0	51.0
<b>Total segment revenue <sup>(1)</sup></b>	<b>4,263.4</b>	<b>291.1</b>	<b>4,554.5</b>
<b>Incurred claims <sup>(2)</sup></b>	<b>(3,572.5)</b>	-	<b>(3,572.5)</b>
<b>Expenses</b>			
Depreciation and amortisation	(32.8)	(15.9)	(48.7)
Sales commissions	(35.5)	-	(35.5)
Operating expenses <sup>(3)</sup>	(261.1)	(226.9)	(488.0)
<b>Total expenses</b>	<b>(329.4)</b>	<b>(242.8)</b>	<b>(572.2)</b>
<b>Operating profit</b>	<b>361.5</b>	<b>48.3</b>	<b>409.8</b>

**Note 2: Segment information (continued)****(a) Segment information provided to the Chief Executive Officer (CEO) (continued)**

31 Dec 2024	Health Insurance \$m	Medibank Health \$m	Total \$m
<b>Revenue</b>			
Revenue from external customers	4,085.7	185.0	4,270.7
Inter-segment revenue	-	43.4	43.4
<b>Total segment revenue</b> <sup>(1)</sup>	<b>4,085.7</b>	<b>228.4</b>	<b>4,314.1</b>
<b>Incurred claims</b> <sup>(2)</sup>	<b>(3,424.1)</b>	-	<b>(3,424.1)</b>
<b>Expenses</b>			
Depreciation and amortisation	(31.9)	(16.1)	(48.0)
Sales commissions	(34.0)	-	(34.0)
Operating expenses <sup>(3)</sup>	(246.5)	(174.7)	(421.2)
<b>Total expenses</b>	<b>(312.4)</b>	<b>(190.8)</b>	<b>(503.2)</b>
<b>Operating profit</b>	<b>349.2</b>	<b>37.6</b>	<b>386.8</b>

(1) Segment health insurance revenue is after \$32.7 million (31 December 2024: \$28.2 million) of transfers between the Group's other operating segments in relation to the loyalty program.

(2) Incurred claims include transactions with the Group's other operating segments of \$44.6 million (31 December 2024: \$41.7 million).

(3) Medibank Health operating expenses include \$0.3 million of interest income from loans to equity accounted investments (31 December 2024: \$0.2 million) and \$(3.5) million in relation to the share of net profit/(loss) from equity accounted investments (31 December 2024: \$(2.8) million).

**(b) Other segment information**

A reconciliation of segment operating profit to the profit for the half-year before income tax of the Group is as follows:

	Note	31 Dec 2025 \$m	31 Dec 2024 \$m
<b>Total segment operating profit</b>		<b>409.8</b>	<b>386.8</b>
<i>Unallocated to operating segments:</i>			
Corporate overheads		(28.1)	(26.7)
<b>Group operating profit</b>		<b>381.7</b>	<b>360.1</b>
Net investment income	6(a)	94.9	114.5
Cybercrime expenses <sup>(1)</sup>		(15.0)	(17.2)
Other income/(expenses) <sup>(2)</sup>		(17.0)	(8.0)
Movement in COVID-19 reserve <sup>(3)</sup>		-	43.6
<b>Profit for the half-year before income tax</b>		<b>444.6</b>	<b>493.0</b>

(1) Cybercrime expenses of \$15.0 million (31 December 2024: \$17.2 million) incurred in relation to IT security uplift and legal and other costs associated with the Group's cybercrime event. Refer to Note 8 for further information.

(2) Other income/(expenses) of \$17.0 million (31 December 2024: \$8.0 million) includes interest expense on lease liabilities of \$8.0 million (31 December 2024: \$5.7 million) relating to the Group's lease agreements, mergers and acquisition expenses of \$5.8 million (31 December 2024: \$1.5 million), net sublease rent, acquisition intangible amortisation and non-cash adjustments on step acquisitions.

(3) The COVID-19 reserve was established to support COVID-19-related accounting and to provide transparency over the Group's commitment to return any permanent net claims savings arising from COVID-19 to policyholders. With the completion of the COVID-19 support package and give-back program in the prior period, the associated accounting was concluded as at 30 June 2025.

**Note 3: Other operating expenses**

The table below provides an analysis of other operating expenses incurred by the Group. Other operating expenses excludes incurred claims, share of profit/(loss) from equity accounted investments, net investment income and income tax expense.

	31 Dec 2025	31 Dec 2024
	\$m	\$m
Medical services expense	(39.4)	(26.4)
Employee benefits expense	(332.0)	(287.5)
Office and administration expense	(65.1)	(58.7)
Marketing and commissions expense	(79.6)	(73.9)
Information technology expense	(49.7)	(48.5)
Depreciation and amortisation expense	(49.1)	(49.6)
Finance expense	(5.2)	(4.0)
<b>Other expenses</b>	<b>(620.1)</b>	<b>(548.6)</b>

**Note 4: Insurance contracts****(a) Insurance service result**

	Note	31 Dec 2025	31 Dec 2024
		\$m	\$m
<b>Insurance revenue</b>		<b>4,296.1</b>	<b>4,113.9</b>
<b>Insurance service expenses</b>			
Claims incurred	(i)	(3,538.4)	(3,329.8)
Changes relating to past service		18.4	23.5
Movement in risk adjustment for non-financial risk		6.2	(2.1)
Net Risk Equalisation Special Account receipts/(payments)		17.2	2.2
State levies		(31.3)	(32.6)
Incurred claims, excluding claims handling costs		<b>(3,527.9)</b>	<b>(3,338.8)</b>
Movement in claims handling costs for incurred claims		0.5	(0.3)
Incurred claims		<b>(3,527.4)</b>	<b>(3,339.1)</b>
Other insurance service expenses		(329.9)	(312.1)
<b>Total insurance service expenses</b>		<b>(3,857.3)</b>	<b>(3,651.2)</b>
<b>Insurance service result</b>		<b>438.8</b>	<b>462.7</b>

- (i) Claims incurred are after the elimination of transactions with the Group's other operating segments of \$44.6 million (31 December 2024: \$41.7 million).

Note 4: Insurance contracts (continued)

(b) Reconciliation of movement in insurance contract liabilities

The table below provides an analysis of the movement in the net carrying amounts of insurance contract liabilities.

	31 Dec 2025				30 Jun 2025			
	Liability for remaining coverage	Liability for incurred claims		Total insurance contract liabilities	Liability for remaining coverage	Liability for incurred claims		Total insurance contract liabilities
	Present value of future cash flows	Risk adjustment for non-financial risk			Present value of future cash flows	Risk adjustment for non-financial risk		
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>Insurance contract liabilities at 1 July</b>	834.6	861.9	57.4	1,753.9	811.1	937.7	53.1	1,801.9
<b>Insurance revenue</b>	(4,296.1)	-	-	(4,296.1)	(8,011.7)	-	-	(8,011.7)
<b>Insurance service expenses</b>								
Claims incurred 4(a)(i)	-	3,538.4	(6.2)	3,532.2	-	6,655.4	4.3	6,659.7
Changes relating to past service	-	(18.4)	-	(18.4)	-	(36.8)	-	(36.8)
Net Risk Equalisation Special Account payments/(receipts)	-	(17.2)	-	(17.2)	-	(13.1)	-	(13.1)
State levies	-	31.3	-	31.3	-	46.6	-	46.6
<b>Incurred claims, excluding claims handling costs</b>	-	3,534.1	(6.2)	3,527.9	-	6,652.1	4.3	6,656.4
Movement in claims handling costs for incurred claims	-	(0.5)	-	(0.5)	-	(1.7)	-	(1.7)
<b>Incurred claims</b>	-	3,533.6	(6.2)	3,527.4	-	6,650.4	4.3	6,654.7
Other insurance service expenses	-	329.9	-	329.9	-	656.6	-	656.6
<b>Total insurance service expenses</b>	-	3,863.5	(6.2)	3,857.3	-	7,307.0	4.3	7,311.3
<b>Insurance service result</b>	(4,296.1)	3,863.5	(6.2)	(438.8)	(8,011.7)	7,307.0	4.3	(700.4)
<b>Other movements</b> 4(b)(i)	225.9	(227.6)	-	(1.7)	30.8	(65.6)	-	(34.8)
<b>Cash flows</b>								
Premium receipts	3,883.8	-	-	3,883.8	8,004.4	-	-	8,004.4
Payments for claims and other expenses	-	(3,896.9)	-	(3,896.9)	-	(7,317.2)	-	(7,317.2)
<b>Total cash flows</b>	3,883.8	(3,896.9)	-	(13.1)	8,004.4	(7,317.2)	-	687.2
<b>Insurance contract liabilities at end of period</b>	648.2	600.9	51.2	1,300.3	834.6	861.9	57.4	1,753.9

(i) Includes the movement between the liability for remaining coverage (LFRC) and the liability for incurred claims (LFIC) in relation to the customer give back provision of \$228.3 million (30 June 2025: \$64.7 million), as well as movements in balances that do not form part of insurance contract liabilities.

**Key estimate**

The liability for incurred claims (LFIC) includes the expected claims payments and expenses required to settle any insurance contract obligations. The LFIC estimate with respect to claims is based on an actuarial assessment of the hospital, ancillary and overseas claim categories.

**Hospital and overseas**

Calculated using statistical methods adopted for all service months but with service levels for the most recent service month (hospital) or two service months (overseas) being based on the latest forecast adjusted for any observed changes in payment patterns.

**Ancillary**

Calculated using statistical methods adopted for all service months.

The critical assumption is the extent to which claim incidence and development patterns are consistent with past experience. Adjustments are then applied to reflect any unusual or abnormal events that may affect the estimate of claims levels such as major variability to claims processing volumes.

The process for establishing the LFIC involves consultation with internal actuaries (including the Chief Actuary), claims managers and other senior management. The process includes monthly internal claims review meetings attended by senior management.

#### Note 4: Insurance contracts (continued)

##### Key estimate

The risk adjustment reflects the compensation required for bearing uncertainty about the amount and timing of cash flows that arises from non-financial risk. The risk adjustment applied to the Group's outstanding claims central estimate within the LFIC at 31 December 2025 is 12.2% (30 June 2025: 12.2%). The risk adjustment is based on an analysis of past experience, including comparing the volatility of past payments to the adopted outstanding claims estimate. The risk adjustment has been estimated to equate to the Group's objective of achieving a probability of adequacy of at least 98% (30 June 2025: 98%).

#### Note 5: Dividends

	Cents per fully paid share	\$m	Payment date
<b>31 December 2025</b>			
2025 final fully franked dividend	10.20	280.9	9 October 2025
<b>31 December 2024</b>			
2024 final fully franked dividend	9.40	258.9	26 September 2024

##### (a) Dividends not recognised at the end of the reporting period

On 19 February 2026, the directors determined an interim fully franked ordinary dividend for the six months ended 31 December 2025 of 8.30 cents per share. The dividend is expected to be paid on 18 March 2026 and has not been provided for as at 31 December 2025.

##### (b) Calculation of dividend paid

Medibank's target dividend payout ratio for the 2026 financial year is 75-85% (2025: 75-85%) of full year normalised net profit after tax (underlying NPAT). Underlying NPAT is calculated based on statutory net profit after tax attributable to equity holders of the parent entity, adjusted for short-term outcomes that are expected to normalise over the medium to longer term, most notably in relation to the level of gains or losses from investments and movements in credit spreads, and for one-off items, especially those that are non-cash, such as impairments. Underlying NPAT was also adjusted for the net movement in the COVID-19 reserve in the prior period (refer to Note 2(b) for further information).

	31 Dec 2025 \$m	31 Dec 2024 \$m
<b>Profit for the half-year after tax, attributable to equity holders of the parent entity</b>	<b>302.9</b>	<b>340.3</b>
Normalisation for growth asset returns	(4.1)	(9.7)
Normalisation for defensive asset returns – credit spread movement	(1.0)	(1.4)
Normalisation for movement in COVID-19 reserve	-	(30.5)
<b>Underlying NPAT</b>	<b>297.8</b>	<b>298.7</b>

## Note 6: Investment portfolio

This note provides information on the Group's net investment income and the carrying amounts of the Group's investments.

### (a) Portfolio composition

The following table sets out the carrying amounts of the financial assets residing in the two investment portfolios: the Health Fund Investment Portfolio (including the Short-term Operational Cash (STOC) sub-portfolio) and the Non-Health Fund Investment Portfolio.

	31 Dec 2025 \$m	30 Jun 2025 \$m	31 Dec 2025 %	30 Jun 2025 %	Target asset allocation
<b>Growth</b>					
Australian equities	91.1	101.7	3.4%	3.4%	3.0%
International equities	96.8	123.6	3.6%	4.2%	4.0%
Property	134.7	141.0	5.1%	4.7%	5.0%
Infrastructure	168.9	163.8	6.3%	5.5%	6.0%
<b>Total Growth</b>	<b>491.5</b>	<b>530.1</b>	<b>18.4%</b>	<b>17.8%</b>	<b>18.0%</b>
<b>Defensive</b>					
Fixed income	1,732.7	1,836.5	65.1%	61.9%	62.0%
Cash <sup>(1)</sup>	439.2	604.6	16.5%	20.3%	20.0%
<b>Total Defensive</b>	<b>2,171.9</b>	<b>2,441.1</b>	<b>81.6%</b>	<b>82.2%</b>	<b>82.0%</b>
<b>Total Health Insurance Fund</b>	<b>2,663.4</b>	<b>2,971.2</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>
Short-term operational cash portfolio (STOC) <sup>(2)</sup>	167.0	424.6			
Non-Health Fund Investment portfolio	72.7	246.2			
<b>Total investment portfolio</b>	<b>2,903.1</b>	<b>3,642.0</b>			
Operational cash	119.4	69.1			
<b>Total cash and cash equivalents and financial assets at fair value</b>	<b>3,022.5</b>	<b>3,711.1</b>			

(1) For investment portfolio purposes, cash comprises cash and cash equivalents of \$453.3 million (30 June 2025: \$648.6 million), plus deposits with longer maturities of \$259.0 million (30 June 2025: \$363.4 million), less Non-Health Fund Investment portfolio cash of \$0.5 million (30 June 2025: \$38.6 million), less short-term operational cash of \$149.8 million (30 June 2025: \$291.5 million), less cash allocated to the fixed income portfolio of \$3.4 million (30 June 2025: \$8.2 million), less operational cash of \$119.4 million (30 June 2025: \$69.1 million).

(2) The STOC sub-portfolio includes \$167.0 million (30 June 2025: \$167.0 million) to support the amount held for the APRA supervisory adjustment. In the prior period, the sub-portfolio also funded claims deferred due to COVID-19 and customer give backs. Given the short-term nature of this sub-portfolio, it is managed separately from the target asset allocation framework.

### (b) Net investment income

	31 Dec 2025 \$m	31 Dec 2024 \$m
Interest income	61.0	73.9
Trust distributions	16.9	22.1
Net gain/(loss) on fair value movements on financial assets	7.8	29.9
Net gain/(loss) on disposal of financial assets	13.7	(7.0)
Investment expenses	(2.6)	(3.2)
Interest expense	(1.9)	(1.2)
<b>Net investment income</b>	<b>94.9</b>	<b>114.5</b>

### (c) Fair value hierarchy

The Group's financial instruments are categorised according to the following fair value measurement hierarchy:

- Level 1: Quoted prices (unadjusted current bid price) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data.

**Note 6: Investment portfolio (continued)****(c) Fair value hierarchy (continued)**

The following tables present the Group's financial assets measured and recognised at fair value on a recurring basis.

	Level 1 \$m	Level 2 \$m	Level 3 \$m	Total \$m
<b>31 Dec 2025</b>				
<b>Financial assets at fair value through profit or loss</b>				
Australian equities <sup>(1)</sup>	-	91.1	-	91.1
International equities <sup>(1)</sup>	-	96.8	-	96.8
Property <sup>(1)</sup>	-	-	134.7	134.7
Infrastructure <sup>(1)</sup>	-	-	168.9	168.9
Fixed income	64.5	1,941.0	-	2,005.5
<b>Financial assets at fair value through other comprehensive income - Fixed income</b>	-	72.2	-	72.2
<b>Balance at 31 December 2025</b>	<b>64.5</b>	<b>2,201.1</b>	<b>303.6</b>	<b>2,569.2</b>
<b>30 Jun 2025</b>				
<b>Financial assets at fair value through profit or loss</b>				
Australian equities <sup>(1)</sup>	-	101.7	-	101.7
International equities <sup>(1)</sup>	-	123.6	-	123.6
Property <sup>(1)</sup>	-	-	141.0	141.0
Infrastructure <sup>(1)</sup>	-	-	163.8	163.8
Fixed income	64.2	2,223.2	-	2,287.4
<b>Financial assets at fair value through other comprehensive income - Fixed income</b>	-	245.0	-	245.0
<b>Balance at 30 June 2025</b>	<b>64.2</b>	<b>2,693.5</b>	<b>304.8</b>	<b>3,062.5</b>

(1) Australian equities, international equities, property and infrastructure are indirectly held through unit trusts.

The Group's other financial instruments, being trade and other receivables and trade and other payables, are not measured at fair value. The fair value of these instruments has not been disclosed, as due to their short-term nature, their carrying amounts are assumed to approximate their fair values.

The Group recognises any transfers into and transfers out of fair value hierarchy levels from the date of effect of the transfer. There were no transfers between the fair value hierarchy levels during the period.

**Fair value measurements using significant unobservable market data (level 3)**

The Group's investments in infrastructure and property financial assets are classified within level 3 of the fair value hierarchy. These assets are held in unlisted unit trusts and are valued at the redemption value per unit as reported by the managers of such funds. They are classified within level 3 of the fair value hierarchy as their fair values are not based on observable market data due to the infrequent trading of these investments which results in limited price transparency.

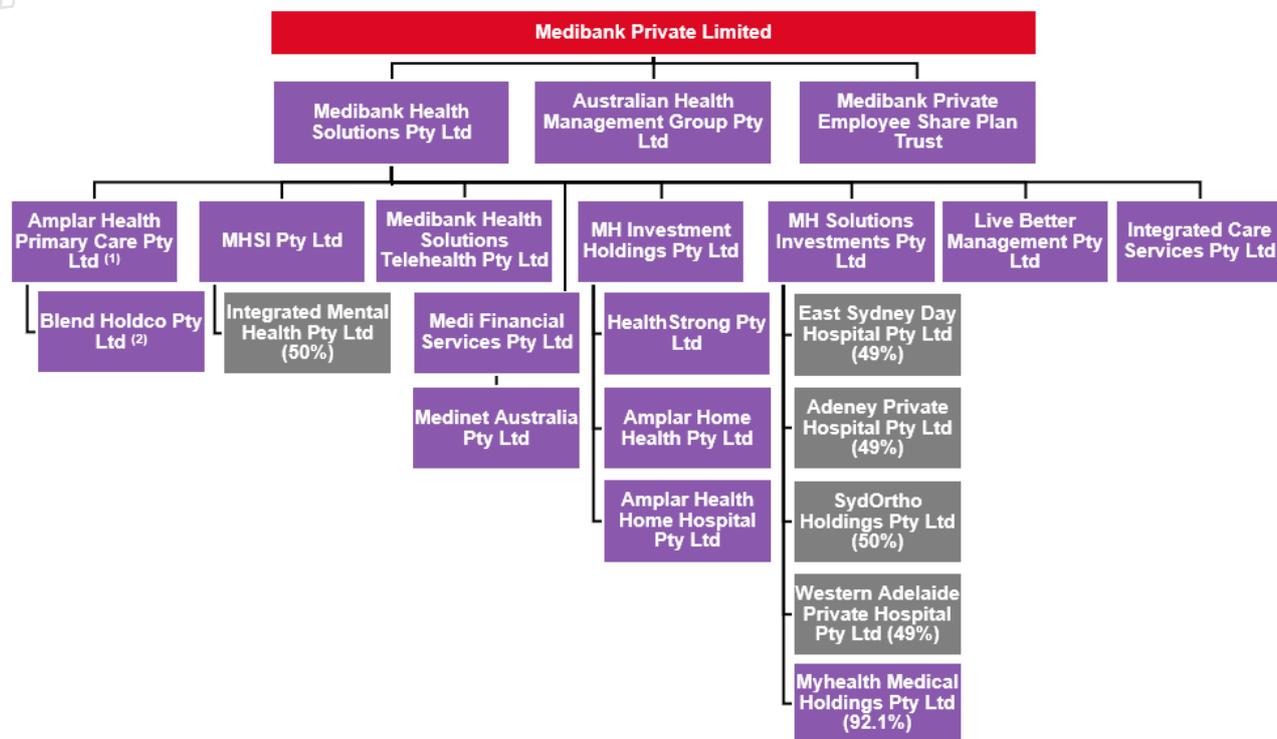
The following table presents the changes in level 3 financial assets during the period.

	Infrastructure \$m	Property \$m	Total \$m
<b>Balance at 1 July 2025</b>	<b>163.8</b>	<b>141.0</b>	<b>304.8</b>
Net acquisitions/(disposals)	3.6	(10.6)	(7.0)
Net unrealised gain/(loss) on fair value movements	1.5	4.3	5.8
<b>Balance at 31 December 2025</b>	<b>168.9</b>	<b>134.7</b>	<b>303.6</b>

## Note 7: Group structure

### (a) Group structure

The summary Medibank Group structure is shown below. All entities, unless otherwise stated, are 100% controlled.



■ These entities are equity accounted investments.

(1) Amplar Health Primary Care Pty Ltd (AHPC) was incorporated on 22 October 2025.

(2) The Group acquired Blend Holdco Pty Ltd (Better Medical Group) on 16 December 2025. Refer to Note 7(b).

(3) MH Operations Pty Ltd (previously 100% controlled by MHSI Pty Ltd) was deregistered on 14 January 2026.

### (b) Acquisitions

On 16 December 2025, the Group acquired 100% of the issued capital in Blend Holdco Pty Ltd (Better Medical Group) for consideration of \$163.5 million. This acquisition builds on the Group's support for primary care through its Amplar Health network, with a focus on improving access, choice and control for both patients and clinicians.

At 31 December 2025, the fair values of identifiable assets acquired and liabilities assumed are provisional and are subject to the completion of detailed valuation assessments. The provisional fair values as at the date of acquisition are:

	Provisional fair value \$m
<b>Assets</b>	
Cash and cash equivalents	6.0
Property, plant and equipment	60.2
Other assets	22.6
<b>Liabilities</b>	
Lease liabilities	(60.0)
Other liabilities	(26.6)
<b>Fair value of identifiable assets</b>	<b>2.2</b>
Provisional goodwill arising on acquisition	161.3
<b>Total consideration</b>	<b>163.5</b>

## Note 7: Group structure (continued)

### (b) Acquisitions (continued)

As part of the Better Medical Group acquisition, the Group gained control of Blend Holdco Pty Ltd and its controlled entities:

Blend Bidco Pty Ltd	Medplus Lutwyche Pty Ltd
Blend Midco Pty Ltd	Medplus Pullenvale Pty Ltd
General Medical Holdings Pty Ltd	Medplus Rothwell Pty Ltd
GP Mx Solutions Pty Ltd	Medplus Strathpine Pty Ltd
Hills Medical Property Pty Ltd	MPMS After Hours Doctor Unit Trust
Hills Medical Property Unit Trust	MPMS Brighton Unit Trust
Hills Medical Pty Ltd	MPMS Sorell Unit Trust
HMAX Pty Ltd	MPMS Telephone Triage Unit Trust
Innovative Healthcare Solutions Pty Ltd	Smart Clinics Pty Ltd
Medical Practice Management Solutions Pty Ltd	Smart Clinics Tasmania Pty Ltd
Medplus Group Pty Ltd	Woree Family Medical Centre Pty Ltd

## Note 8: Contingencies

### (a) Cybercrime event

The Group was subject to a cybercrime in October 2022 which resulted in a data breach. Specific contingent liabilities in relation to the cybercrime that may impact the Group as known at this reporting period are set out below. The outcome and any potential financial impacts of the matters below are currently unknown, and as such no provision has been recognised for these matters. The outcome of these matters could impact the financial results, cashflows and financial position of the Group.

It is not currently practicable to estimate the potential financial impact, if any, of these claims.

#### *AIC civil penalty proceedings*

On 5 June 2024, Medibank received notice of civil penalty proceedings filed in the Federal Court of Australia by the Australian Information Commissioner (AIC) in relation to the cybercrime. The proceedings relate to the AIC's own investigation into the cybercrime and allege that Medibank breached Australian Privacy Principle 11.1.

If Medibank is found to have breached Australian Privacy Principle 11.1, the AIC alleges that the interference with individuals' privacy was either serious and/or repeated within the meaning of section 13G(a) & (b) of the *Privacy Act 1988 (Cth)*, and the AIC seeks penalties of up to \$2.2 million per contravention. The AIC alleges either one or two contraventions, or separate contraventions in respect of each individual whose personal information Medibank held during the relevant period (alleged to be 9.7 million individuals). A court ordered mediation is to be completed by September 2026.

Medibank is defending the civil penalty proceedings.

#### *OAIC representative complaint*

Maurice Blackburn, in collaboration with Bannister Law and Centennial Lawyers, has lodged a representative complaint with the OAIC alleging Medibank has breached its privacy obligations and seeks compensation for loss and damage, including but not limited to distress and injury to feelings and humiliation. The representative complaint is under investigation by the OAIC.

Medibank is defending the representative complaint.

**Note 8: Contingencies (continued)****(a) Cybercrime event (continued)***Consumer class actions*

Medibank received notice of two separate consumer class actions filed in the Federal Court of Australia in relation to the cybercrime. On 1 August 2023 these proceedings were consolidated into a single consumer class action. The consolidated consumer class action is being brought by Baker & McKenzie on behalf of persons who were Medibank or ahm health insurance customers between 21 December 2001 and 12 October 2022, and persons who provided personal information to Medibank or ahm for the purpose of obtaining a quote for insurance but did not become a customer.

The consolidated statement of claim includes allegations of breach of contract, contraventions of the Australian Consumer Law, and breach of equitable obligations of confidence. The amount claimed is unspecified, however remedies sought include damages, declarations for contraventions of the Privacy Act, injunctive relief requiring Medibank to take reasonable steps to destroy or deidentify personal information which Medibank no longer needs to retain, interest and costs. A court ordered mediation is to be completed by September 2026.

Medibank is defending this consolidated consumer class action proceeding.

*Shareholder class actions*

Medibank received notice of two separate shareholder class actions filed in the Supreme Court of Victoria. On 6 September 2023 these proceedings were consolidated into a single shareholder class action. The consolidated shareholder class action is being brought jointly by Quinn Emanuel and Phi Finney McDonald on behalf of persons who acquired an interest in Medibank shares or entered into equity swap confirmations of Medibank shares during the period 1 July 2019 to 25 October 2022.

The consolidated statement of claim includes allegations of misleading or deceptive conduct and that Medibank breached its continuous disclosure obligations under the *Corporations Act 2001* and ASX Listing Rules by not disclosing to the market information relating to alleged deficiencies in its cyber security systems. The amount claimed is unspecified, however remedies sought include damages, interest and costs.

Medibank is defending this consolidated shareholder class action proceeding.

**(b) Other contingency matters (excluding cybercrime event)**

In addition to the items noted above in relation to the cybercrime event, the Group is exposed from time to time to contingent liabilities which arise from the ordinary course of business, including:

- Losses which might arise from claims and litigation.
- Investigations from internal reviews and by regulatory bodies such as the ACCC, APRA, ATO, ASIC or other regulatory bodies into past conduct on either industry-wide or Group specific matters.

It is anticipated that the likelihood of any unprovided liabilities arising from these other contingency matters is not material or are not at a stage to support a reasonable evaluation of the likely outcome.

**Note 9: New accounting standards and interpretations****(a) New and amended standards adopted**

The amendments and interpretations that became effective for the annual reporting period commencing on 1 July 2025 did not have a material impact on the Group's accounting policies or on the consolidated financial report.

**(b) New accounting standards and interpretations not yet adopted**

The Group has not adopted any standards, interpretations or amendments that have been issued but are not yet effective. These standards, interpretations and amendments are not expected to have a material impact on the Group in the current or future reporting periods and on foreseeable future transactions.

**Note 10: Events occurring after the reporting period**

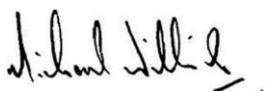
There have been no events occurring after the reporting period which would have a material effect on the Group's financial statements at 31 December 2025.

The directors declare that, in the opinion of the directors:

- (a) the financial statements and notes set out on pages 8 to 21 are in accordance with the *Corporations Act 2001*, including:
  - i. giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date; and
  - ii. complying with *Australian Accounting Standards*, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and
- (b) there are reasonable grounds to believe that the Company will be able to pay its debts as and when they become due and payable.

This declaration is made in accordance with a resolution of the directors.

On behalf of the Board,



Mike Wilkins AO  
Chair

19 February 2026  
Melbourne



David Koczkar  
Chief Executive Officer



# Independent auditor's review report to the members of Medibank Private Limited

## Report on the half-year financial report

### Conclusion

We have reviewed the half-year financial report of Medibank Private Limited (the Company) and the entities it controlled during the half-year (together the Group), which comprises the consolidated statement of financial position as at 31 December 2025, the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows, for the half-year ended on that date, material accounting policy information and selected explanatory notes and the directors' declaration.

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the accompanying half-year financial report of Medibank Private Limited does not comply with the *Corporations Act 2001* including:

1. giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date;
2. complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

### Basis for conclusion

We conducted our review in accordance with ASRE 2410 Review of a Financial Report Performed by the Independent Auditor of the Entity (ASRE 2410). Our responsibilities are further described in the Auditor's responsibilities for the review of the half-year financial report section of our report.

We are independent of the Group in accordance with the auditor independence requirements of the *Corporations Act 2001* and the ethical requirements of the Accounting Professional & Ethical Standards Board's APES 110 *Code of Ethics for Professional Accountants (including Independence Standards)* (the

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Code) that are relevant to the audit of the annual financial report in Australia. We have also fulfilled our other ethical responsibilities in accordance with the Code.

### **Responsibilities of the directors for the half-year financial report**

The directors of the Company are responsible for the preparation of the half-year financial report, in accordance with Australian Accounting Standards and the *Corporations Act 2001*, including giving a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement whether due to fraud or error.

### **Auditor's responsibilities for the review of the half-year financial report**

Our responsibility is to express a conclusion on the half-year financial report based on our review. ASRE 2410 requires us to conclude whether we have become aware of any matter that makes us believe that the half-year financial report is not in accordance with the *Corporations Act 2001* including giving a true and fair view of the Group's financial position as at 31 December 2025 and of its performance for the half-year ended on that date, and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

PricewaterhouseCoopers

Marcus Laithwaite  
Partner

Melbourne  
19 February 2026