

A man with grey hair, wearing a light blue button-down shirt, is smiling and looking towards a woman. The woman has curly brown hair and is wearing a red t-shirt with the medibank logo. She is holding a small, white, spherical device with a black lens in her hands, and she is looking down at it with a focused expression. The background is a blurred outdoor setting with a building and some greenery.

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# Half year results

2026

Investor presentation  
19 February 2026

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# Acknowledgment of Country

Medibank acknowledges Aboriginal and Torres Strait Islander peoples as the First Peoples of this nation.

We proudly recognise Elders past, present and emerging as the Traditional Owners and Custodians of the lands on which we work and live.

We're committed to supporting self-determination and envision a future where all Australians embrace Aboriginal and Torres Strait Islander histories, cultures and rights as a central part of our national identity.



A woman with dark hair, wearing glasses and a blue medibank uniform, is seated at a desk in a call center. She is wearing a headset with a microphone and looking towards a computer monitor. The background shows other call center agents working at their desks.

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# Highlights

**David Koczkar**  
Chief Executive Officer



## Our customer focus continues to drive our strategy and growth

- Customer advocacy continues to be strong
- Met the health and wellbeing needs of more customers – with 55% of Medibank resident policyholders engaged in health and wellbeing services, supporting them to stay healthier for longer
- Continued to expand our support for the broader community – across primary and virtual care, home and acute care



## Result reflects continued growth momentum across our segments

- Group operating profit of \$381.7m, up 6.0%
- Growing earnings diversification with Medibank Health contributing to c.13% of group operating profit
- Interim ordinary fully franked dividend of 8.3 cents per share, up 6.4%



## Continuing to deliver on our growth commitments as we maintain discipline

- Strong customer growth and stable resident PHI margins reflect our deliberate and disciplined approach to growth
- Continued expansion in health – including in primary care with our virtual GP offering and the acquisition of Better Medical



## Customers increasingly recognising the value and health and wellbeing support we provide

- More people see health insurance as offering value for money than they did 2 years ago
- The health transition is gaining momentum, yet the pace of reform is too slow in keeping up with community needs
- We will continue to work with hospitals, health providers and funders to accelerate the health transition



## On track to deliver our FY26 outlook

- Our 1H26 performance is in line with expectations
- Continued appetite and financial capacity to pursue further M&A
- Result reinforces confidence to achieve our FY30 aspirations

# Our customer focus continues to drive our strategy and growth

Delivering more value to customers as we support their health needs

## Delivering more value



**\$22.9m<sup>1</sup>** rewards claimed through Live Better

**\$104.5m<sup>2</sup>** saved through our Members' Choice networks

**\$3.3m** saved in out-of-pocket costs through the no gap network

We continue to prioritise value and health for our customers



**55%** of Medibank resident policyholders engaged with health and wellbeing services

**1.0m** Live Better rewards participants

**70k** virtual health interactions for Medibank customers

**100k<sup>3</sup>** hospital bed days saved through homecare

**Integrating customer value and better health**

## Supporting health



**2.3m** total Amplar Health patient interactions

**227k** everyday prevention enrolments

**18k** clinician-guided prevention services

## Customer satisfaction

Average blended jNPS (Medibank and ahm) of 23.6<sup>4</sup>

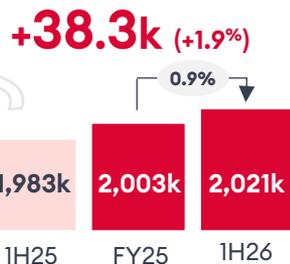


(1) Includes value of rewards claimed with partners (such as partner products and vouchers) and health cover rewards (such as savings on premiums). (2) Savings are calculated by comparing out-of-pocket costs for customers using Members' Choice and Members' Choice Advantage networks versus non-network providers. (3) Bed days saved through Medibank clinician-guided homecare programs delivered by or for Medibank and Amplar Health. (4) Customer satisfaction is a measure of average blended jNPS (replaces previously reported sNPS). This measure came into effect from July 2024 and July 2025 for Medibank and ahm, respectively.

# Result reflects continued growth momentum across our segments

Medibank Health contributes c.13% to group operating profit – positioned for further growth

## Net resident policyholder growth



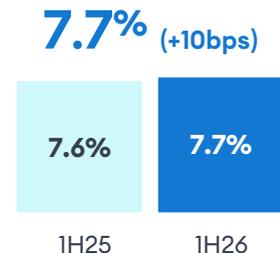
## Health Insurance operating profit



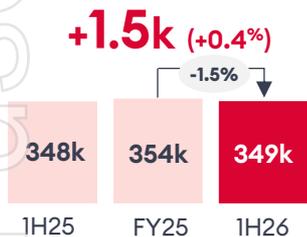
## Medibank Health segment profit



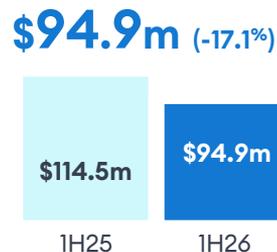
## Health Insurance expense ratio



## Net non-resident policy unit growth



## Net investment income



## Underlying net profit after tax



## Interim ordinary dividend fully franked



# Making strong progress on our strategy

Strong foundations and disciplined focus underpin the delivery of our strategy



## Deliver leading experiences

### Empowered our teams

- Further embedded customer-obsessed, integrated and autonomous teams

### Enhanced customer experience

- Launched new 'customer first' program reducing complexity and enabling frontline to focus on more value adding conversations

### Launched new experiences

- Accelerated adoption of GenAI and Agentic AI across all brands, enhancing customer experience and improving operational efficiency



## Differentiate our insurance business

### Delivered disciplined growth

- Continued growth in priority segments (families, mid-tier products, new-to-industry)
- 67% growth in corporate customer joins<sup>1</sup>

### Strengthened non-resident PHI

- Grew to a record number of non-resident worker customers
- Deepened partnerships and broadened distribution across education and workforce channels

### Supported customer lifecycles

- Improved retention of non-resident workers transitioning into resident covers



## Expand in health

### Increased health and wellbeing engagement

- Expanded digital care access, increased patient engagement and new partner offerings

### Accelerated primary care growth

- Acquired Better Medical for \$163.5m
- National rollout of Ampliar Health Online doctor

### Expanded virtual and community care

- National rollout of psychotherapy expansion and Alcohol and Drug Detox at Home launch
- New contracts expanding Out of Hospital care and extension of My Home Hospital<sup>2</sup> contract



## Continue to strengthen our foundations

### Launched Risk Fit

- Continued to strengthen risk management by embedding our refreshed risk culture framework

### Strengthened technology environment

- Delivered security, infrastructure and platform upgrades to further strengthen resilience, support the expansion of AI and enhance digital experiences for customers

### Enhanced operational productivity

- Delivered c.\$3m in service, digital and claims efficiencies through automation and customer experience uplift

(1) Variance represents movement from 1H25. (2) My Home Hospital is a service delivered by Ampliar Health Home Hospital Pty Ltd for SA Health.

# Evolving dynamics across health insurance

Medibank aims to continue to grow share in a disciplined way through differentiation and value

## Current industry issues and opportunities

### Resident PHI

- **Industry remains buoyant:** growing at a slightly slower rate, but with continued increase in youth participation<sup>1</sup>
- **Affordability is driving a change in consumer behaviour:** with consumers increasingly choosing lower tier products aligned to their health needs<sup>1</sup> resulting in rising industry switching, lapses and downgrades
- **Aggregators risk eroding customer value:** with some platforms prioritising short-term profit
- **Consumer preferences and behaviours are changing claims mix:** while hospital indexation is at long term highs, hospital claims utilisation growth is decreasing<sup>1</sup>

### Non-resident PHI

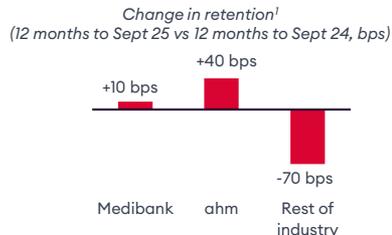
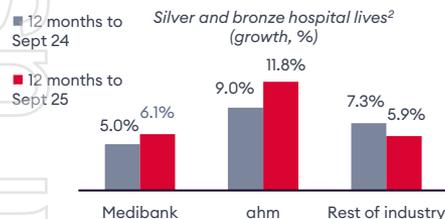
- **Migration inflows remain strong, with varying segment dynamics:** worker arrivals continue to accelerate, while student volumes have stabilised reflecting recent reforms
- **Visa transitions unlock new opportunities:** more students are becoming workers, and more workers are progressing to residency
- **Ongoing price pressure is driving a shift to service-led differentiation:** digital experience, partnerships and integrated health

## Our response to create future value

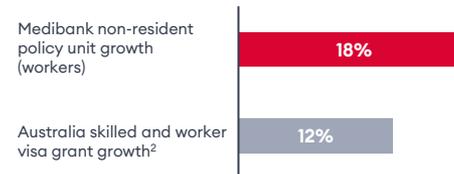
**Focus on differentiation and value as we remain disciplined in growing priority segments and deeper hospital partnerships**

**Drive future growth through health differentiation, deeper partnerships and improved lifecycle conversion**

### Growing share in priority segments with an ongoing focus on retention



### Growing share in workers<sup>3</sup>



(1) Source: APRA, quarterly private health insurance statistics to September 2025. (2) Source: DoH reform BBSG data and Medibank. (3) Source: Australian Department of Home Affairs, Temporary Resident (skilled) visas granted report (granted between 1H25-1H26), 29 January 2026, Medibank.

# Demand growth continues to pressure a challenged health system

Medibank continues to unlock value as we accelerate the health transition

## Current industry issues and opportunities

### Wellbeing

- **Growing shift to proactive prevention:** through evidence-based self-care and early detection<sup>1</sup>
- **Greater demand for mental wellbeing:** supported by rising use of digital stress-management tools<sup>1</sup>
- **Increasing corporate engagement:** in response to sustained workforce needs and regulatory changes<sup>1</sup>

### Primary care

- **Medicare reform supports affordability and volume growth:** expanded bulk billing expected to increase GP consult demand, with 18m more visits projected each year by 2030<sup>2</sup>
- **Virtual health now integrated as a core care model:** permanent Medicare telehealth items are sustaining nationwide funding and supporting ongoing patient demand<sup>3</sup>

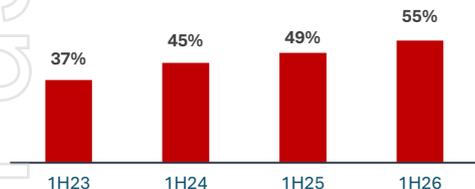
### Community and acute

- **Acute care is shifting out of hospitals:** with some of Australia's largest hospitals aiming for up to half of services delivered at home or virtually by 2030<sup>4</sup>
- **Reform supporting high-acuity care in the home:** expanding funding for intensive home-based clinical care to improve access for older Australians and relieve pressure on hospitals<sup>5</sup>

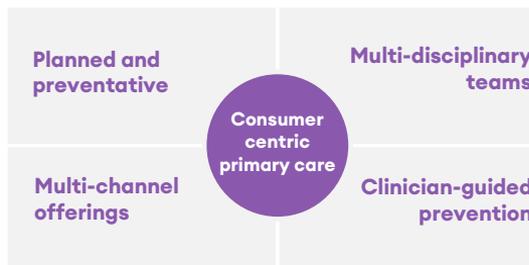
## Our response to create future value

**Build a connected wellbeing ecosystem that enables growth and strengthens our core business**

More Medibank resident policyholders are engaged with health and wellbeing services

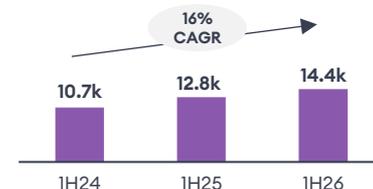


**Deliver accessible, proactive, personalised multidisciplinary care in-person and virtually**



**Alleviate the growing chronic disease burden by scaling innovative home-based models of care, providing an alternative to costly acute hospital treatment**

**Strong growth in acute home health admissions - delivered by Amplat Health network**



# Accelerating our vision in primary care

Primary care is critical to enabling the health transition and is currently falling short of stakeholder needs

## Case for change

Consumers	Clinicians and providers	System sustainability
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- Rising out-of-pocket costs<sup>1</sup>
- Longer wait times<sup>1</sup>
- A need to improve connectivity and quality care experiences
- Episodic view of customer not aligned with long-term health outcomes<sup>2</sup>
- Workforce shortages and medical professionals not working at full scope<sup>3</sup>
- Intensive administration detracts from time spent with patients
- Ageing population and increased prevalence of chronic disease places additional strain on the health system<sup>4</sup>
- Lack of funding to support prevention and chronic disease management, leading to more costly hospital level care

## Our focus



## Our leading established network

1.67m GP consults <sup>5</sup>	c. 23% virtual consults <sup>6</sup>	2,600 multidisciplinary health professionals <sup>7</sup>	168 clinics nationally <sup>7</sup>
			18k clinician-guided prevention services <sup>8</sup>

(1) Source: ABS Patient Experiences, 2025. (2) Source: Allam S. & Chan H. Healthcare continuity in crisis, 2025. (3) Source: Department of Health and Ageing, Unleashing the potential of our health workforce, 2024. (4) Source: AIHW The ongoing challenge of chronic conditions in Australia, 2024. (5) In person and virtual GP consults provided by Myhealth, Amplar Health and Better Medical in 1H26. (6) Virtual GP consults under Myhealth, Amplar Health and Better Medical divided by total in-person and virtual GP consults provided by Myhealth, Amplar Health and Better Medical in 1H26. (7) As at 31 December 2025. (8) Delivered in 1H26.



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# Financial results

**Mark Rogers**

Group Lead – Chief Financial Officer & Group Strategy

# Group financial summary

Group operating profit up 6.0% with continued earnings diversification

Six months ended 31 Dec (\$m)	1H25	1H26	Change
<b>Group revenue from external customers</b>	<b>4,270.7</b>	<b>4,503.5</b>	<b>5.5%</b>
Health Insurance operating profit <sup>1</sup>	349.2	361.5	3.5%
Medibank Health segment profit	37.6	48.3	28.5%
<b>Segment operating profit</b>	<b>386.8</b>	<b>409.8</b>	<b>5.9%</b>
Corporate overheads	(26.7)	(28.1)	5.2%
<b>Group operating profit</b>	<b>360.1</b>	<b>381.7</b>	<b>6.0%</b>
Net investment income	114.5	94.9	(17.1%)
Other income/(expenses)	(8.0)	(17.0)	112.5%
Cybercrime costs	(17.2)	(15.0)	(12.8%)
<b>Profit before tax, before movement in COVID-19 reserve</b>	<b>449.4</b>	<b>444.6</b>	<b>(1.1%)</b>
Movement in COVID-19 reserve (excl. tax)	43.6	-	n.m.
<b>Profit before tax</b>	<b>493.0</b>	<b>444.6</b>	<b>(9.8%)</b>
Income tax expense	(148.9)	(137.5)	(7.7%)
Non-controlling interests	(3.8)	(4.2)	10.5%
<b>NPAT attributable to Medibank shareholders</b>	<b>340.3</b>	<b>302.9</b>	<b>(11.0%)</b>
Effective tax rate	30.2%	30.9%	70bps
EPS (cents)	12.4	11.0	(11.0%)
Normalisation for investment returns	(11.1)	(5.1)	(54.1%)
Normalisation for COVID-19 reserve movements	(30.5)	-	n.m.
<b>Underlying NPAT<sup>2</sup></b>	<b>298.7</b>	<b>297.8</b>	<b>(0.3%)</b>
Underlying EPS <sup>2</sup> (cents)	10.8	10.8	-
<b>Dividend per share (cents)</b>	<b>7.8</b>	<b>8.3</b>	<b>6.4%</b>
Dividend payout ratio <sup>3</sup>	71.9%	76.8%	490bps

## Group operating profit up 6.0%

- Solid growth in resident Health Insurance
- Important contribution from non-resident Health Insurance
- Continued strong momentum in Medibank Health

## Profit before tax of \$444.6m

- Increase in corporate overheads largely due to inflation
- Net investment income impacted by lower average RBA cash rate
- Other income/(expenses) includes \$5.8m of M&A expenses (1H25: \$1.5m) and \$8.0m of AASB 16 interest on lease liabilities (1H25: \$5.7m)
- FY25 was the last year COVID-19 impacts on claims separated from Health Insurance result

## Non-recurring cybercrime costs of \$15.0m

- Costs include further IT security uplift and legal and other costs associated with regulatory investigations and litigation
- FY26 costs expected to be around \$35m
  - Expect IT security uplift program will largely be embedded by end of FY26
  - Excludes the impacts of any potential findings or outcomes from regulatory investigations or litigation
- FY27 costs expected to be largely related to ongoing regulatory investigations and litigation

## Underlying EPS of 10.8c in line with 1H25

- -\$5.1m normalisation impact for investment returns
  - Growth returns -\$4.1m (1H25: -\$9.7m)
  - Defensive returns -\$1.0m (1H25: -\$1.4m)
- No normalisation impact for COVID-19 reserve movements (1H25: -\$30.5m)

(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 and Underlying EPS are adjusted for any movement in the COVID-19 equity reserve as well as the normalisation of investment returns. (3) Dividend payout ratio is based on Underlying NPAT.

# Health Insurance result

Operating margin maintained at 8.5% - disciplined approach to growth and expense management

Six months ended 31 Dec (\$m)	1H25	1H26	Change
Premium revenue <sup>1</sup>	4,085.7	4,263.4	4.3%
Claims expense <sup>1</sup>	(3,423.1)	(3,589.7)	4.9%
Risk equalisation	(1.0)	17.2	n.m.
Net claims expense	(3,424.1)	(3,572.5)	4.3%
<b>Gross profit</b>	<b>661.6</b>	<b>690.9</b>	<b>4.4%</b>
Expenses	(312.4)	(329.4)	5.4%
<b>Operating profit</b>	<b>349.2</b>	<b>361.5</b>	<b>3.5%</b>
<b>Gross margin</b>	<b>16.2%</b>	<b>16.2%</b>	-
Expense ratio (ER)	7.6%	7.7%	10bps
<b>Operating margin</b>	<b>8.5%</b>	<b>8.5%</b>	-

## Health Insurance expenses

Six months ended 31 Dec (\$m)	1H25	1H26	Change
Premium revenue	4,085.7	4,263.4	4.3%
Expenses	<b>(312.4)</b>	<b>(329.4)</b>	<b>5.4%</b>
- Depreciation and amortisation	(22.1)	(24.1)	9.0%
- Resident sales commissions	(19.9)	(20.1)	1.0%
- Non-resident sales commissions	(14.1)	(15.4)	9.2%
- Operating expenses <sup>2</sup>	(256.3)	(269.8)	5.3%
<b>Expense ratio (ER)</b>	<b>7.6%</b>	<b>7.7%</b>	<b>10bps</b>

## Revenue up 4.3% to \$4,263.4m

- Business has remained resilient despite challenging economic environment
- Total policy unit growth of 2.0% (resident +2.2%, non-resident +0.4%)

## Gross profit up 4.4% to \$690.9m

- Benefits from disciplined approach to growth continue including lower hospital utilisation growth and an improved risk equalisation outcome
- Growth skewed to lower tier products with impacts to revenue and claims largely offsetting
- Gross margin stable at 16.2%

## Operating profit up 3.5% to \$361.5m

- Expense ratio up 10bps to 7.7%
- Operating margin stable at 8.5%

## Health Insurance expenses

### Operating expenses increased 5.3%

- Cost inflation of approximately 4.0%
- Volume impacts
- Ongoing investment to support policyholder growth and further strengthen our foundations
- Partially offset by c. \$3m of productivity savings

### Total sales commissions increased by \$1.5m

- Non-resident sales commissions up \$1.3m in line with premium increases
- Resident sales commissions broadly in line with 1H25 despite higher ahm aggregator joins

### Expect FY26 expenses of between \$690m to \$695m

- Continue to target a stable to modestly improving Expense Ratio relative to FY25
- Balance aspiration with investing in further growth where this makes commercial sense
- Targeting \$10m of productivity savings in FY26, including from leveraging investment in analytics, digitisation and AI initiatives

(1) Premium revenue and Claims expense exclude COVID-19 customer give backs and variances to expected claims, including claims provision releases, that were included in the COVID-19 equity reserve. The equity reserve was finalised in FY25.

(2) Includes right-of-use depreciation of \$8.7m (1H25: \$9.8m).

# Health Insurance – resident policyholders

Improving momentum continues with 6-month growth double prior comparable period

Six months ended 31 Dec	1H25	1H26	Change
<b>Policyholders (thousand):</b>			
Opening balance	1,975.3	2,003.2	1.4%
Acquisitions	102.2	112.0	9.6%
Lapses	(94.7)	(94.1)	(0.6%)
<b>Closing balance</b>	<b>1,982.8</b>	<b>2,021.1</b>	<b>1.9%</b>
– Medibank	1,433.4	1,445.0	0.8%
– ahm	549.4	576.1	4.9%
<b>Acquisition rate<sup>1</sup></b>	<b>5.2%</b>	<b>5.6%</b>	<b>40bps</b>
– Medibank	4.1%	4.6%	50bps
– ahm	8.5%	8.7%	20bps
<b>Lapse rate<sup>1</sup></b>	<b>4.8%</b>	<b>4.7%</b>	<b>(10bps)</b>
– Medibank	4.2%	4.2%	-
– ahm	6.8%	6.5%	(30bps)
<b>Policyholder growth</b>	<b>0.4%</b>	<b>0.9%</b>	<b>50bps</b>
Total policy units (thousand)			
Closing balance	4,836.1	4,940.8	2.2%
Average balance <sup>2</sup>	4,831.3	4,920.2	1.8%
Total Hospital lives (thousand)	2,990.4	3,077.8	2.9%

(1) Transfers of policyholders between ahm and Medibank are excluded in consolidated lapse and acquisition rates but included at brand levels. Lapse and acquisition rates are based on the average of the opening and closing balances for the period.

(2) Based on an average of the month-end balances over the reporting period.

(3) Industry average, resident policyholders, APRA quarterly private health insurance statistics to Sep 25 with estimate for Dec 25 quarter.

## Resident health insurance market remains buoyant

- Industry growth<sup>3</sup> for 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
- Continued strong growth in the number of 25 – 30 year old customers

## Cost-of-living pressures impacting industry

- Industry switching rates remain elevated
- Customer growth skewed to lower tier products
- Aggregators increasing their share of industry joins
- Unsustainable competitive environment moderating, but pockets of heightened competition remain

## Policyholder growth up 1.9% (+38.3k) over 12 months

- Medibank brand up 0.8%; ahm up 4.9%
- Growth in the last 6 months (+17.9k) more than double that in the prior comparable period

## Acquisition rate up 40bps to 5.6% with improvement across both brands

- Includes benefit from investment in Medibank brand differentiation
- Improvement in ahm supported by an enhanced digital customer experience
- Percentage of joins through aggregators of 54% (1H25: 50%) reflecting volume growth

## Retention improved 10bps to 4.7% despite higher industry switching rates

- Medibank brand supported by investment in product benefits and Live Better rewards program
- Enhanced customer experience and extras limit rollover contributing to ahm improvement

## Disciplined policyholder growth a continued focus for 2H26

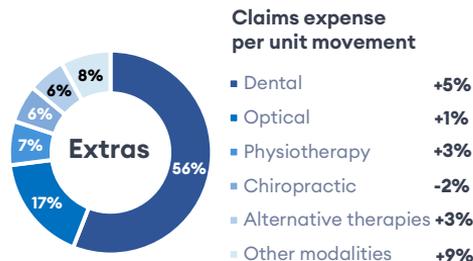
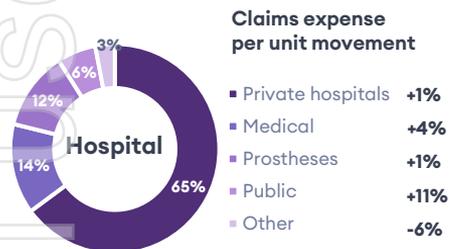
- Further improve retention through personalisation and integrated customer propositions
- Deepen brand differentiation through investment in new products and services
- Increase focus on acquisition in priority segments and ahm direct channels

# Health Insurance – resident claims

Average claims growth per policy unit up 20bps to 2.5%

Six months ended 31 Dec (\$m)	1H25	1H26	Change
Claims expense <sup>1</sup>	(3,325.6)	(3,489.0)	4.9%
Risk equalisation	(1.0)	17.2	n.m.
<b>Net resident claims expense</b>	<b>(3,326.6)</b>	<b>(3,471.8)</b>	<b>4.4%</b>
– Hospital	(2,477.9)	(2,577.8)	4.0%
– Extras	(848.7)	(894.0)	5.3%
<b>Annualised average claims expense per policy unit<sup>2</sup> (\$)</b>	<b>(1,377.1)</b>	<b>(1,411.2)</b>	<b>2.5%</b>
– Utilisation	0.1%	(2.8%)	(290bps)
– Inflation	2.9%	4.6%	170bps
Hospital claims per policy unit growth	3.0%	1.8%	(120bps)
– Utilisation	(0.2%)	1.7%	190bps
– Inflation	0.8%	2.0%	120bps
Extras claims per policy unit growth	0.6%	3.7%	310bps

## Indicative composition & movement in claims expense per policy unit<sup>2</sup> vs. 1H25



## Resident gross claims up 4.9%

- Risk equalisation provided a 50bps benefit (some timing related) to net claims growth (1H25: 60bps benefit)
- Net claims growth of 4.4%

## Average claims growth per policy unit up 20bps to 2.5% (1H25: 2.3%)

- Extras claims growth 310bps higher
- Partially offset by a 120bps decrease in hospital claims growth

## Hospital claims growth per policy unit down 120bps to 1.8%

- Higher private hospital indexation, investment in product benefits and increase in NSW private room charges from 1 January 2025
- Negative utilisation growth reflects prior period claims favourability of \$43.6m due to COVID-19 impacts (FY25: \$74.8m) and growth skewed to lower product tiers

## Extras claims per policy unit up 310bps to 3.7%

- Impact of ahm limit rollover
- Utilisation and inflation growth increasing following a period of subdued demand due to economic and COVID-19 impacts

## Claims growth in 2H26 expected to be impacted by:

- Private hospital indexation to remain elevated
- Negative hospital utilisation growth to continue
- Risk equalisation timing benefit from 1H26 to unwind, largely offset by higher cost of NSW private room charges now fully embedded

## Continue proactive approach to claims management through:

- Broadening partnership approach to hospital contracting
- Increasing number of Medibank customers supported by personalised care models
- Expanding use of AI in payment integrity program

(1) Claims expense excludes the impact of claims provision releases which were transferred to the COVID-19 equity reserve. The equity reserve was finalised in FY25. (2) Based on an average of the month-end balances over the reporting period.

# Health Insurance – portfolio performance

Continued strong contribution of non-resident to health insurance growth

Six months ended 31 Dec (\$m)	Resident			Non-resident			Total		
	1H25	1H26	Change	1H25	1H26	Change	1H25	1H26	Change
Premium revenue	3,936.2	4,107.1	4.3%	149.5	156.3	4.5%	4,085.7	4,263.4	4.3%
Net hospital claims	(2,477.9)	(2,577.8)	4.0%	(97.5)	(100.7)	3.3%	(2,575.4)	(2,678.5)	4.0%
Extras claims	(848.7)	(894.0)	5.3%	-	-	-	(848.7)	(894.0)	5.3%
Net claims expense	(3,326.6)	(3,471.8)	4.4%	(97.5)	(100.7)	3.3%	(3,424.1)	(3,572.5)	4.3%
Gross profit	609.6	635.3	4.2%	52.0	55.6	6.9%	661.6	690.9	4.4%
<b>Gross margin</b>	<b>15.5%</b>	<b>15.5%</b>	-	<b>34.8%</b>	<b>35.6%</b>	<b>80bps</b>	<b>16.2%</b>	<b>16.2%</b>	-
Resident premium increase	3.31%	3.99%	70bps						
Revenue Mix	(0.5%)	(1.5%)	(100bps)						
Revenue per policy unit growth rate	2.8%	2.5%	(30bps)	1.0%	3.1%	210bps	2.3%	2.5%	20bps
Claims per policy unit growth rate	2.3%	2.5%	20bps	0.2%	1.9%	170bps	1.7%	2.5%	80bps
Policy units (thousand)									
Closing balance	4,836.1	4,940.8	2.2%	347.6	349.1	0.4%	5,183.8	5,289.9	2.0%
Average balance	4,831.3	4,920.2	1.8%	351.1	355.9	1.4%	5,182.4	5,276.1	1.8%

## Resident performance

### Revenue growth of 4.3%

- Average policy unit growth of 1.8%
- Revenue per policy unit growth down 30bps to 2.5%
- Higher average premium increase offset by higher Revenue Mix<sup>(1)</sup>
- Average 5.1% premium increase applicable from 1 April 2026

### Revenue Mix of 150bps (similar to 2H25)

- Increased investment in Live Better
- Growth skewed to lower tier products and strong growth in ahm policies
- Subject to no material change to economic environment, expect FY26 Revenue Mix to be better than 1H26

### Flat gross margin of 15.5%

- Reflects disciplined approach to growth
- Revenue and claims growth per policy unit of 2.5%

## Non-resident performance

### Average policy units up 1.4%

- Lower student visa approvals and modestly higher lapse
- Acquisition in 2H26 expected to be supported by:
  - Recently announced increase to student visa approvals
  - New opportunities in worker segment

### Gross profit up 6.9% to \$55.6m

- Continued solid revenue growth of 4.5%
- Gross margin up 80bps to 35.6% (1H25: 34.8%)
- Improved worker margin partially offset by tenure impacts on student margin

### Remains an attractive market with 2H26 focus:

- Build on emerging opportunities in student and worker segments
- Continue to invest and differentiate offering to grow market share
- Increase focus on customer lifecycle management

(1) From 1H26, Medibank has replaced the term "downgrading" with "Revenue Mix".

# Medibank Health result

Total segment profit up 28.5% to \$48.3m – strong growth across all segments

Six months ended 31 Dec (\$m)	Total		
	1H25	1H26	Change
Revenue	228.4	291.1	27.5%
Gross profit	122.5	149.0	21.6%
Expenses	(81.8)	(95.1)	16.3%
Segment expenses	(0.5)	(2.5)	n.m.
<b>Operating profit</b>	<b>40.2</b>	<b>51.4</b>	<b>27.9%</b>
Share of profit/(loss) from other investments <sup>1</sup>	(2.6)	(3.1)	19.2%
<b>Segment profit</b>	<b>37.6</b>	<b>48.3</b>	<b>28.5%</b>
<b>Gross margin</b>	<b>53.6%</b>	<b>51.2%</b>	<b>(240bps)</b>
Expense ratio (ER) <sup>2</sup>	36.0%	33.5%	(250bps)
<b>Operating margin</b>	<b>17.6%</b>	<b>17.7%</b>	<b>10bps</b>

## Segment profit up 28.5% to \$48.3m

- Total operating profit growth of 27.9% to \$51.4m
- Broadly stable losses from JV hospital portfolio
- Lower gross margin more than offset by improved expense ratio

## Revenue increased 27.5% to \$291.1m

- Growth in wellbeing in line with increased Live Better rewards participants and financial wellbeing policies
- Primary care growth reflects increased consultation numbers and higher average fee
- Community and acute growth reflects strong volume growth and increased ownership of Ampliar Health Home Hospital in December 2024

## Gross margin down 240bps to 51.2%

- Additional investment in Live Better rewards program
- Business mix impacts (including in Wellbeing)
- Partially offset by efficiency benefits in community and acute

## Expenses up 16.3% to \$95.1m

- Reflects inflation, volume related impacts and \$4m additional investment (includes corporate health platform, virtual health capabilities and process and systems uplift)
- Growing scale reflected in 250bps lower expense ratio<sup>2</sup> with improvement across all 3 segments

## Continue to see strong organic growth potential with 2H26 focus areas:

- Meeting more health needs of more customers
- Scaling existing services with a broader set of payors
- Realising synergy benefits across recently expanded primary care network

## Aim to augment organic growth with further M&A

- Scale and expand geographic coverage in primary care
- Add capability in virtual care and wellbeing

(1) Includes interest income from loan to associates 1H25: \$0.2m, 1H26: \$0.3m. (2) Total expense ratio includes expenses and segment expenses.

# Medibank Health – performance and key customer metrics

Business performance reflects meeting more health needs of more consumers

## Financial performance

Six months ended 31 Dec (\$m)	Wellbeing <sup>1</sup>			Primary care			Community and acute			Total		
	1H25	1H26	Change	1H25	1H26	Change	1H25	1H26	Change	1H25	1H26	Change
Revenue	72.7	88.5	21.7%	118.1	130.2	10.2%	37.6	72.4	92.6%	228.4	291.1	27.5%
Gross profit	58.3	66.3	13.7%	54.4	60.3	10.8%	9.8	22.4	128.6%	122.5	149.0	21.6%
Expenses	(28.6)	(33.5)	17.1%	(41.8)	(46.0)	10.0%	(11.4)	(15.6)	36.8%	(81.8)	(95.1)	16.3%
Segment expenses										(0.5)	(2.5)	n.m.
<b>Operating profit</b>	<b>29.7</b>	<b>32.8</b>	<b>10.4%</b>	<b>12.6</b>	<b>14.3</b>	<b>13.5%</b>	<b>(1.6)</b>	<b>6.8</b>	<b>n.m.</b>	<b>40.2</b>	<b>51.4</b>	<b>27.9%</b>
<b>Operating margin</b>	<b>40.9%</b>	<b>37.1%</b>	<b>(380bps)</b>	<b>10.7%</b>	<b>11.0%</b>	<b>30bps</b>	<b>(4.3%)</b>	<b>9.4%</b>	<b>1,370bps</b>	<b>17.6%</b>	<b>17.7%</b>	<b>10bps</b>

## Key customer metrics underpinning performance

Six months ended 31 Dec	1H25	1H26	Change
<b>Wellbeing</b>			
Live Better rewards participants ('000)	889	1,010	13.6%
Financial wellbeing policies ('000)	339	344	1.5%
<b>Primary care</b>			
GP consultations ('000)	1,619	1,665	2.8%
Virtual consults (%)	21.1%	22.8%	170bps
<b>Community and acute care</b>			
Community care visits ('000)	53.0	52.1	(1.7%)
Acute home health admissions ('000)	12.8	14.4	12.5%

### Wellbeing (everyday wellbeing, corporate health, financial wellbeing)

- Live Better rewards participants up 13.6% supported by investment in the proposition and reward points give back
- Financial wellbeing policies up 1.5% with increased investment in product differentiation and PHI customer engagement

### Primary care (general practice, clinician-guided prevention, virtual care)

- 168 clinics, including 61 added following acquisition of Better Medical on 16 December 2025
- Aim to further grow clinic footprint organically across primary care network
- GP consultations increased by 2.8% with a growing proportion being virtual

### Community and acute (community care, acute home health)

- Community care visits down 1.7% with business focus on higher margin services
- Acute home health admissions up 12.5% supported by:
  - Continued strong growth in publicly funded home health admissions
  - Transition Care Service<sup>2</sup> capacity doubled in September 2025

(1) Wellbeing includes Financial Wellbeing commissions which have a 100% gross margin. (2) The Transition Care Service is a joint collaboration between SA Health, Ampliar Health and the Pullman Adelaide.

# Investment portfolio and investment income

Lower earnings on cash - net investment income down \$19.6m

## Reported performance<sup>2</sup>

Six months ended 31 Dec (\$m)	1H25	1H26	Change
<b>Net investment income</b>			
Growth portfolio income	32.7	27.0	(17.4%)
Defensive portfolio income	65.3	59.5	(8.9%)
<b>Fund portfolio investment income<sup>1</sup></b>	<b>98.0</b>	<b>86.5</b>	<b>(11.7%)</b>
Net other investment income and expenses	16.5	8.4	(49.1%)
<b>Total net investment income</b>	<b>114.5</b>	<b>94.9</b>	<b>(17.1%)</b>
Investment returns on growth assets	6.67%	5.21%	(146bps)
Investment returns on defensive assets	2.91%	2.51%	(40bps)
<b>Fund portfolio investment returns</b>	<b>3.58%</b>	<b>2.99%</b>	<b>(59bps)</b>
RBA cash rate (average)			
<b>Underlying spread to RBA cash rate</b>			
<b>Average monthly balance:</b>			
Growth	490.3	518.5	5.8%
Defensive	2,247.3	2,371.4	5.5%
<b>Total fund portfolio</b>	<b>2,737.6</b>	<b>2,890.0</b>	<b>5.6%</b>

## Underlying performance<sup>2</sup>

Six months ended 31 Dec (%)	1H25	1H26	Change
Growth portfolio income	18.8	21.1	12.2%
Defensive portfolio income	63.3	58.1	(8.2%)
<b>Fund portfolio investment income<sup>1</sup></b>	<b>82.1</b>	<b>79.2</b>	<b>(3.5%)</b>
Net other investment income and expenses	16.5	8.4	(49.1%)
<b>Total net investment income</b>	<b>98.6</b>	<b>87.6</b>	<b>(11.2%)</b>
Investment returns on growth assets	3.83%	4.06%	23bps
Investment returns on defensive assets	2.82%	2.45%	(37bps)
<b>Fund portfolio investment returns</b>	<b>3.00%</b>	<b>2.74%</b>	<b>(26bps)</b>
RBA cash rate (average)	2.18%	1.82%	(36bps)
<b>Underlying spread to RBA cash rate</b>	<b>0.82%</b>	<b>0.92%</b>	<b>10bps</b>

## Fund portfolio overview

- Target fund asset allocation of 18% Growth; 82% Defensive
- Actual average allocation to growth assets in 1H26 17.9% (1H25: 17.9%)

## Growth portfolio income down \$5.7m

- Lower income from all asset classes other than unlisted property
- Recovery in unlisted property valuations

## Defensive portfolio income down \$5.8m

- \$4.7m decrease in interest income from lower average RBA cash rate
- \$2.4m benefit from tighter credit spreads (1H25: \$1.9m)

## Net other investment income and expenses down \$8.1m

- \$5.1m reduction in income from non-health fund investments following payment of final customer give back in September 2025
- \$1.9m decrease in interest income from lower average RBA cash rate

## Underlying net investment income down \$11.0m to \$87.6m

- Normalised for an 8% return on growth assets and credit spread movements
- 5.6% increase in Fund portfolio average balance
- Fund portfolio investment return down 26bps to 2.74%
  - Manager outperformance in unlisted property (underperformance in 1H25)
  - Lower average RBA cash rate impacting return on defensive assets
- Annualised spread to average RBA cash rate of 184bps (FY target of 150bps-200bps)

## Drivers of underlying 2H26 investment income

- Expect other investment income to be further impacted by reduction in cash held following the Better Medical acquisition
- Will continue to take actions including adjusting credit, duration and liquidity settings in the defensive portfolio to help offset this impact
- Benefit from recent RBA cash rate increase with potential for further increases (\$7m higher annual interest income for every 25bps change in RBA cash rate)

(1) Excludes interest income from non-health fund investments, short-term operational cash sub portfolio and operational cash. (2) Reported and underlying returns are calculated using total average monthly balances.

# Capital and dividend

## Level of unallocated capital supports M&A aspirations

Capital (\$m)	31 Dec 2024	31 Dec 2025
<b>Total equity</b>	<b>2,384.8</b>	<b>2,339.1</b>
Determined but unpaid ordinary dividend	(214.8)	(228.6)
COVID-19 equity reserve	(158.5)	-
<b>Capital employed</b>	<b>2,011.5</b>	<b>2,110.5</b>
- Health Insurance	1,294.1	1,298.7
- Medibank Health	396.4	562.8
- Other <sup>1</sup>	54.7	63.2
- Unallocated	266.3	185.8
Less: intangible and other adjustments	(411.1)	(604.5)
<b>Eligible capital</b>	<b>1,600.4</b>	<b>1,506.0</b>
<b>Health insurance</b>		
Prescribed Capital Amount - PCA (\$m)	741.0	740.5
PCA coverage ratio <sup>2</sup>	1.9x	1.9x
Required capital (\$m)	1,182.9	1,202.3
Required capital (%) <sup>3</sup>	14.1%	13.8%
Interim ordinary dividend per share (cents)	7.8	8.3
<b>Dividend payout ratio<sup>4</sup></b>	<b>71.9%</b>	<b>76.8%</b>

(1) Other capital employed includes asset risk charge on new Melbourne office fixtures, non-health fund investments.

(2) Calculated as Required Health Insurance capital less APRA supervisory adjustment, divided by Fund PCA less APRA adjustment.

(3) Calculated as required Health Insurance capital divided by the last 12 months' Health Insurance premium revenue inflated by the growth rate over the same 12-month period.

(4) Dividend payout ratio is based on Underlying NPAT.

(5) Medibank Health FY30 earnings aspiration of at least \$200m (assumes c. \$700m Medibank Health capital employed).

### Health Insurance business continues to be well capitalised

- Stable Fund PCA with reduced insurance and asset risk charges largely offset by revenue growth
- Fund PCA coverage ratio maintained at 1.9x
- Unallocated capital decreased \$80.5m to \$185.8m due to Better Medical acquisition, partially offset by strong capital generation
- Increase in intangibles and other adjustments includes Better Medical goodwill and increased investment in software

### Health Insurance capital employed increased by \$4.6m to \$1,298.7m

- Required capital ratio of 13.8% (target range of 10% to 12%)
- Additional capital held to offset \$250m temporary APRA supervisory adjustment

### Medibank Health capital employed increased by \$166.4m to \$562.8m

- Includes Better Medical acquisition for consideration of \$163.5m
- Other effects include funding organic growth in Medibank Health

### Well placed to fund further inorganic growth

- FY30 earnings aspiration<sup>5</sup> supported by unallocated capital position
- Capacity and willingness to raise Tier 2 debt to support growth beyond this aspiration should further attractive opportunities arise

### Interim dividend of 8.3 cps fully franked, up 6.4%

- 76.8% payout ratio of Underlying NPAT (full year target range 75% - 85%)

# Our financial focus areas and FY26 outlook

## Resident PHI



## Non-resident PHI



## Medibank Health



### 2H26 focus areas

#### Focus on sustainable and disciplined growth

- Deepen brand differentiation with investment in new products and services
- Further improve retention through personalisation and integrated customer propositions
- Disciplined growth in priority segments and ahm direct channels

#### Proactive claims management strategy to mitigate inflationary pressure on claims

- Broaden successful partnership approach to hospital contracting
- Increase number of Medibank customers supported by personalised care models
- Expand use of artificial intelligence in payment integrity program

#### Further differentiate and invest in product value and expanding health proposition

- Continuing focus on growing share in all segments
- Lifecycle management opportunity for customers who become Australian residents

#### Deliver on Medibank Health's strong organic growth potential

- Meet more health needs of more customers
- Opportunity to scale existing services to a broader set of payors
- Realise synergy benefits across recently expanded primary care network

#### Augment Medibank Health's organic growth with further M&A

- Have invested c. \$230m of \$150m - \$250m FY24 – FY26 M&A target
- Pursue further investments which:
  - Scale and expand geographic coverage in primary care
  - Add capability in virtual care and wellbeing

### FY26 outlook

**Policyholder growth:** aim to grow market share in a disciplined way, including further volume growth in the Medibank brand

**Industry growth:** anticipate moderating industry growth relative to FY25

**Claims:** expect claims per policy unit growth of 2.6% - 2.9%

**Earnings growth:** aim to maintain solid gross profit growth

**Medibank Health:** FY26 organic operating profit growth expected to be similar to 1H26 plus a c. \$6m contribution from Better Medical in 2H26

**M&A:** Strong asset pipeline remains with appetite and financial capacity to pursue further opportunities consistent with our growth strategy and adding shareholder value

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# Conclusion

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**Our customer focus continues to drive our strategy and performance, with continued strong engagement**

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**The quality result shows improved momentum in our health insurance business and strong growth in Medibank Health, now contributing c. 13% of group operating profit**

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**The PHI industry remains buoyant as the health transition gains momentum with a stronger industry wide focus – but more needs to be done to accelerate and catalyse change**

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**We are a strong and growing health company, with a unique set of capabilities in health and a track record of innovation and performance**

---



**We will continue to strengthen our foundations through our risk management approach, our use of AI and our technology platforms**

---



**We are on track to deliver on our FY26 outlook. We have a clear strategy to achieve our 2030 vision, growing customer and shareholder value and driving the health transition**

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A woman with blonde hair, wearing a white long-sleeved shirt and a tan wide-brimmed hat, is seen from the back, facing two smiling women. The two women are wearing red medibank branded t-shirts and caps. They are standing in front of a red van. The van has "medibank Live Better" written on the side. The background is a solid red color.

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Q&A

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# Appendix



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# Medibank – about us

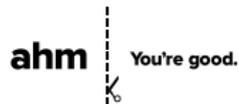
Our purpose

**Better Health for Better Lives**

Our vision

To create the best health and wellbeing for Australia

Our brands



Our segments

Health insurance

Wellbeing

Primary care

Community and acute

Our difference

Deepening relationships with customers



Delivering more value, choice and control



Supporting whole of health needs



Driving change in the health system

# Our strategy – positioned to lead and grow as a health company

We aim to:

Grow earnings

Strengthen our business

Transform health

Supported by our strategic pillars:

## Deliver leading experiences



Create personalised and connected customer experiences

Empower our people and reinvent work

Collaborate with our communities and partners to make a difference

Continue to strengthen trust and reputation

## Differentiate our insurance business



Deliver more value, choice, and control for customers

Provide holistic health solutions to customers including resident, non-resident and corporate customers

Strengthen our dual brands and provider networks

Lead change with partners to deliver affordable healthcare

## Expand in health



Accelerate growth in prevention, primary and virtual care and personalised care models

Scale and connect our existing health businesses

Deliver more health services to Medibank and ahm customers

Accelerate Australia's health transition

## Continue to strengthen our foundations



Embed a purpose-led risk culture and approach to risk management focused on customer centricity and health

Support business growth by continuing to modernise our technology platforms, leveraging cloud, AI and automation to deliver scalability, efficiency and agility

Enabling shareholder value creation



**Deliver leading experiences**



**Differentiate our insurance business**



**Expand in health**



**Continue to strengthen our foundations**

Aspirations

**Increase advocacy and trust**

**Grow insurance market share sustainably**

**Diversify and grow earnings**

**Continuously strengthen our capabilities**

Focus areas

**Enhance customer experience:** by deepening health engagement to strengthen retention and increase net promoter scores

**Re-invent the way we work:** to drive innovation and efficiency through improved employee engagement and autonomous teams

**Make a meaningful difference for our stakeholders:** by delivering on our sustainability commitments

**Lead bold and sustainable industry change:** on behalf of our customers by growing trust, reputation and influence as a leading health company

**Deliver sustainable market share growth in resident PHI:** by focusing on priority segments and remaining disciplined

**Strengthen our non-resident offerings:** through targeted product differentiation to support future earnings and market share growth

**Drive growth through our differentiation strategy:** supporting customer growth, addressing rising health costs and meeting more health needs of more customers

New

**Increase wellbeing engagement:** to support customer health and retention through prevention programs, Live Better rewards, corporate health and financial wellbeing

**Accelerate growth in primary care:** building out our connected offerings as we integrate Better Medical and consider further targeted investments in primary care

**Build scale across the continuum of care:** including community care, acute home health and no-gap offerings

Updated

**Maintain our disciplined focus on continuing to strengthen risk culture and long-term resilience:** through delivery of our uplift programs and empowering teams to proactively manage risk

**Drive a culture of continuous improvement:** through accelerated use of automation and AI as well as technology simplification and modernisation

Key success measures

- Improved customer jNPS
- Improved eNPS
- Increased health engagement with our customers

- Increased resident PHI market share
- Non-resident customer growth

- Earnings growth in Medibank Health
- Growth in the total number of Amplat Health interactions

Updated

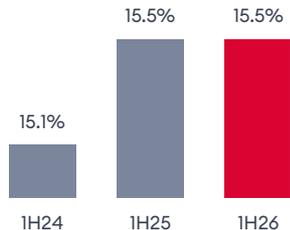
- Deliver on our program of continuous improvement
- Deliver on our productivity ambitions
- Simplify the way we work

# Strong result demonstrates our disciplined approach to growth

## A strong and resilient resident private health insurance business

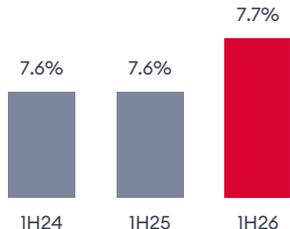
Underlying resident health insurance gross margin

**15.5%**  
(+0bps)



Health Insurance expense ratio

**7.7%**  
(+10bps)



## Making progress on our growth potential

Medibank Health segment profit

**\$48.3m**  
(+28.5%)



Underlying non-resident health insurance gross profit

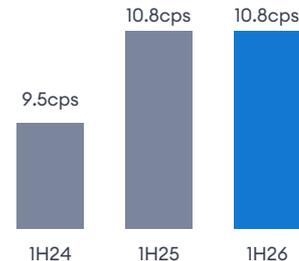
**\$55.6m**  
(+6.9%)



## Delivering earnings and dividend growth for shareholders

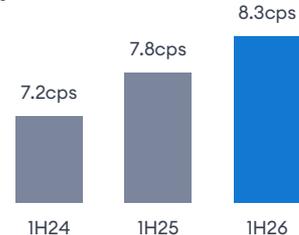
Underlying earnings per share

**10.8cps**  
(+0%)



Interim ordinary dividend fully franked

**8.3cps**  
(+6.4%)



# Performance scorecard

Key success measures (FY26)	Measure	FY25	1H26 progress
<b>Deliver leading experiences</b>			
Customer satisfaction	jNPS	New measure	23.6 <sup>1</sup>
Employee experience – products and services	eNPS	39	39
Employee experience – place to work	eNPS	38	30
Health engagement	# interactions	New measure	9.2m
<b>Differentiate our insurance business</b>			
Resident PHI market share	%	26.5%	26.5% <sup>2</sup>
Non-resident growth	# policy units	354.4k	349.1k
<b>Expand in health</b>			
Medibank Health segment profit	\$m	\$76.7m	\$48.3m
Amplar Health engagement	# interactions	4.3m	2.3m
<b>Continue to strengthen our foundations</b>			
Employee experience – ease to get things done	Employee sentiment	7.0	7.1
Employee experience – autonomy	Employee sentiment	7.9	8.0
Health insurance productivity	\$m	c. \$10m	c. \$3m

Milestones (FY28)	Measure	FY25	1H26 progress	FY28 milestone
<b>Wellbeing</b>				
Live Better rewards	# participants	0.9m	1.0m	>1.2m
Everyday prevention	# enrolments	270k	227k	>380k
Corporate Health	% accounts engaged	14%	9.6%	>20%
Financial wellbeing	# policies	340k	344k	>440k
<b>Primary care</b>				
Clinician-guided prevention services	# services	33k	18k	45k
Multi-channel offerings	# GP consults	3.2m	1.7m	7m
	% virtual consults	c. 20%	c. 23%	c. 30%
<b>Community and acute</b>				
Community care	# visits	107k	52k	155k
Acute home health	# admissions	24k	14k	>27k
JV earnings <sup>3</sup>	\$m	(\$7.5m)	(\$3.1m)	Break even

Aspirations (FY30)	Measure	FY25	1H26 progress	FY30 aspiration
Medibank Health segment profit	\$m	\$76.7m	\$48.3m	>\$200m
Resident PHI market share	%	26.5%	26.5%	>26.8%
Health engagement	# people	c. 5m	c.5.9m	c. 10m

(1) Customer satisfaction is a measure of average blended jNPS for Medibank and ahm (replaces previously reported sNPS). This measure came into effect from July 2024 and July 2025 for Medibank and ahm, respectively. (2) Source: APRA, quarterly private health insurance statistics to September, 2025. (3) Joint venture hospital investments held at 30 June 2025.

# Medibank: a growing and differentiated health company

Empowering our teams to create the best health and wellbeing for Australia

## Deepening relationships with customers



- Deliver exceptional customer experience
- Personalised service via community hubs
- Technology and AI enablement
- Strong risk management and governance

## Delivering more value, choice and control



- Differentiated products and services
- Empower customers to manage their health
- Greater options for when and where customers receive care



## Supporting whole of health needs

- Proactive and personalised
- Platform connecting consumer needs with health services
- Tailored across the customer lifecycle



## Driving change in the health system

- Focus on better ways of providing care
- Investments catalyse change
- Partnerships foster innovation and drive wide uptake
- Advocate for reform to sustain the system



## Drives shareholder value by:

Supporting customer growth

Proactively addressing claims costs

Meeting more health needs of more customers

Delivering new and diversified earnings streams

Creating a stronger and more resilient business

Sustainable growth

# Our non-wholly owned health investments

Target segments	Investments	Ownership interest (%)	Description	Benefits to Medibank
Primary care	Myhealth Medical Holdings Pty Ltd	92%	<ul style="list-style-type: none"> <li>Medibank acquired a non-controlling interest in Myhealth Medical Group for c. \$63m in 2021. Ownership interest increased to 90% for consideration of c. \$52m in January 2024</li> <li>Further \$8.9m invested to December 2025</li> </ul>	Support preventative health and GP-led proactive care management
	East Sydney Day Hospital Pty Ltd	49%	<ul style="list-style-type: none"> <li>Medibank has invested \$16.7m as of December 2025</li> <li>Investment contributes to capital works and operational costs required to scale short stay models of care</li> </ul>	
	Adeney Private Hospital Pty Ltd	49%	<ul style="list-style-type: none"> <li>The JV between a group of doctors and Medibank has established a short stay surgical facility in Melbourne</li> <li>Medibank has contributed \$9.2m as of December 2025</li> </ul>	
Community and acute	Western Adelaide Hospital Pty Ltd	49%	<ul style="list-style-type: none"> <li>Acquired a 49% shareholding for \$1.9m. Investment contributes to converting Western Adelaide Hospital into a short stay surgical centre for private and public patients in partnership with a group of doctors</li> </ul>	Expand our no gap network, including short stay
	SydOrtho Holdings Pty Ltd (holding company) supporting MQ Health	50%	<ul style="list-style-type: none"> <li>Medibank has invested \$14.8m to form a JV with orthopaedic surgeons to support the establishment of the Orthopaedic Institute at Macquarie University Hospital</li> <li>MQ Health has contributed the floor space, with the centre operating as an integrated part of the hospital</li> </ul>	
	Integrated Mental Health Pty Ltd	50%	<ul style="list-style-type: none"> <li>Medibank invested \$15.5m in March 2023, to acquire 50% shareholding in Integrated Mental Health Pty Ltd (iMH) to offer an innovative integrated mental health model</li> <li>Further \$9.6m invested to December 2025 for capital works and additional hospitals</li> </ul>	

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# Group financial summary – half by half

(\$m)	1H25	2H25	1H26	Change	
				1H26 v 1H25	1H26 v 2H25
<b>Group revenue from external customers</b>	<b>4,270.7</b>	<b>4,333.3</b>	<b>4,503.5</b>	<b>5.5%</b>	<b>3.9%</b>
Health Insurance operating profit	349.2	392.3	361.5	3.5%	(7.9%)
Medibank Health segment profit	37.6	39.1	48.3	28.5%	23.5%
<b>Segment operating profit</b>	<b>386.8</b>	<b>431.4</b>	<b>409.8</b>	<b>5.9%</b>	<b>(5.0%)</b>
Corporate overheads	(26.7)	(29.1)	(28.1)	5.2%	(3.4%)
<b>Group operating profit</b>	<b>360.1</b>	<b>402.3</b>	<b>381.7</b>	<b>6.0%</b>	<b>(5.1%)</b>
Net investment income	114.5	93.3	94.9	(17.1%)	1.7%
Other income/(expenses)	(8.0)	(10.9)	(17.0)	112.5%	56.0%
Cybercrime costs	(17.2)	(22.5)	(15.0)	(12.8%)	(33.3%)
<b>Profit before tax, before movement in COVID-19 reserve</b>	<b>449.4</b>	<b>462.2</b>	<b>444.6</b>	<b>(1.1%)</b>	<b>(3.8%)</b>
Movement in COVID-19 reserve (excl. tax)	43.6	(226.4)	-	n.m.	n.m.
<b>Profit before tax</b>	<b>493.0</b>	<b>235.8</b>	<b>444.6</b>	<b>(9.8%)</b>	<b>88.5%</b>
Income tax expense	(148.9)	(70.6)	(137.5)	(7.7%)	94.8%
Non-controlling interests	(3.8)	(4.7)	(4.2)	10.5%	(10.6%)
<b>NPAT attributable to Medibank shareholders</b>	<b>340.3</b>	<b>160.5</b>	<b>302.9</b>	<b>(11.0%)</b>	<b>88.7%</b>
EPS (cents)	12.4	5.8	11.0	(11.0%)	88.7%
Normalisation for investment returns	(11.1)	1.0	(5.1)	(54.1%)	(610.0%)
Normalisation for COVID-19 reserve movements	(30.5)	158.5	-	n.m.	n.m.
<b>Underlying NPAT</b>	<b>298.7</b>	<b>320.0</b>	<b>297.8</b>	<b>(0.3%)</b>	<b>(6.9%)</b>
Underlying EPS (cents)	7.8	11.6	8.3	<b>6.4%</b>	<b>(28.4%)</b>
<b>Dividend payout ratio<sup>1</sup></b>	<b>71.9%</b>	<b>87.8%</b>	<b>76.8%</b>	<b>490bps</b>	<b>(1,100bps)</b>

(1) Dividend payout ratio based on Underlying NPAT.

# Health Insurance resident policyholders – half by half

	1H25	2H25	1H26	Change	
				1H26 v 1H25	1H26 v 2H25
<b>Policyholders<sup>1</sup> (thousand):</b>					
Opening balance	1,975.3	1,982.8	2,003.2	1.4%	1.0%
Acquisitions	102.2	126.2	112.0	9.6%	(11.3%)
Lapses	(94.7)	(105.8)	(94.1)	(0.6%)	(11.1%)
Closing balance	<b>1,982.8</b>	<b>2,003.2</b>	<b>2,021.1</b>	<b>1.9%</b>	<b>0.9%</b>
– Medibank	1,433.4	1,439.5	1,445.0	0.8%	0.4%
– ahm	549.4	563.7	576.1	4.9%	2.2%
<b>Acquisition rate<sup>2</sup></b>	<b>5.2%</b>	<b>6.3%</b>	<b>5.6%</b>	<b>40bps</b>	<b>(70bps)</b>
– Medibank	4.1%	5.2%	4.6%	50bps	(60bps)
– ahm	8.5%	10.1%	8.7%	20bps	(140bps)
<b>Lapse rate<sup>2</sup></b>	<b>4.8%</b>	<b>5.3%</b>	<b>4.7%</b>	<b>(10bps)</b>	<b>(60bps)</b>
– Medibank	4.2%	4.7%	4.2%	-	(50bps)
– ahm	6.8%	7.6%	6.5%	(30bps)	(110bps)
<b>Policyholder growth</b>	<b>0.4%</b>	<b>1.0%</b>	<b>0.9%</b>	<b>50bps</b>	<b>(10bps)</b>
<b>Total policy units (thousand):</b>					
Closing balance	4,836.1	4,889.9	4,940.8	2.2%	1.0%
Average balance <sup>3</sup>	4,831.3	4,860.1	4,920.2	1.8%	1.2%

(1) Consolidated lapse and acquisition rates exclude transfers of policyholders between ahm and Medibank at a combined brand level. Figures at brand level include these transfers.

(2) Lapse and acquisition rates are based on the average of the opening and closing balances for the period. (3) Based on an average of the month-end balances over the reporting period.

# Investment portfolio

As at 31 Dec 2025	Target asset allocation	Portfolio composition	Spot balance (\$m)	Average balance (\$m) 1H26	Average balance (\$m) 1H25
Australian equities	3.0%	3.4%	91.1	100.7	122.9
International equities	4.0%	3.6%	96.8	114.0	123.4
Property	5.0%	5.1%	134.7	138.2	144.5
Infrastructure	6.0%	6.3%	168.9	165.6	99.5
<b>Growth</b>	<b>18.0%</b>	<b>18.4%</b>	<b>491.5</b>	<b>518.5</b>	<b>490.3</b>
Fixed income <sup>1,2</sup>	62.0%	65.1%	1,732.7	1,742.7	1,636.2
Cash <sup>3</sup>	20.0%	16.5%	439.2	628.7	611.1
<b>Defensive</b>	<b>82.0%</b>	<b>81.6%</b>	<b>2,171.9</b>	<b>2,371.4</b>	<b>2,247.3</b>
<b>Total fund (pre-STOC)</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2,663.4</b>	<b>2,889.9</b>	<b>2,737.6</b>
Short-term operational cash <sup>4,5</sup>			167.0	289.6	536.6
Non-health fund investments <sup>6</sup>			72.7	247.7	236.9
<b>Total investment portfolio</b>			<b>2,903.1</b>	<b>3,427.2</b>	<b>3,511.1</b>

(1) Target asset allocation comprises fixed & floating rate notes and asset-backed investments 42.0% (1H25: 42.0%) and other fixed income 20.0% (1H25: 20.0%). The Fund's average credit duration is approximately 2.5 years, average interest rate duration is approximately 0.4 years, and the average credit rating is 'Single-A' (S&P equivalent).

(2) For investment portfolio purposes, fixed income comprises fixed income securities (\$2,077.7m), less classified cash with maturities between 3-12 months (\$259.0m), less non health fund investments (\$72.2m), less short-term operational fixed income securities (\$17.2m), plus cash allocated to the fixed income portfolio (\$3.4m).

(3) For investment portfolio purposes, cash comprises cash and cash equivalents (\$453.3m), plus cash with maturities 3-12 months (\$259.0m), less non health fund investment (\$0.5m), less short-term operational cash (\$149.8m), less operational cash (\$119.4m), less cash allocated to the fixed income portfolio (\$3.4m).

(4) Short-term operational cash ("STOC") sub-portfolio of the fund's investment portfolio consists of short-dated defensive assets held for the purpose of funding COVID-19 claims liability and customer give backs (which were fully paid and finalised in October 2025). Given the short-term nature of this portfolio, it is not subject to the existing SAA / TAA framework.

(5) \$167m to be allocated to the STOC portfolio to support the amount held for APRA supervisory adjustment. Given the short-term nature of this portfolio, it is not subject to the existing SAA / TAA framework.

(6) The fund's SAA does not apply to the non-health fund investment portfolio.

# Glossary

Term	Definition
<b>1H</b>	Six months ended/ending 31 December of the relevant financial year
<b>2H</b>	Six months ended/ending 30 June of the relevant financial year
<b>AI</b>	Artificial intelligence
<b>Acute Home Health</b>	Short-term clinical care delivered at or closer to home under medical or clinical governance (e.g. hospital in the home), including monitoring, nursing, allied health, with defined escalation pathways
<b>Amplar Health network</b>	Network of services provided by Myhealth, Amplar Health or Better Medical. Includes primary care, prevention, virtual health, homecare and hospital services
<b>APRA</b>	Australian Prudential Regulation Authority
<b>Bed days saved</b>	The number of treatments delivered during an episode of care, representing days that would otherwise require a hospital bed. Applies to eligible patients, regardless of Medibank membership
<b>bps</b>	Basis points (1.0% = 100 bps)
<b>CAGR</b>	Compound annual growth rate
<b>Clinician-guided prevention</b>	Clinician-guided prevention services designed to help assess risk and manage health conditions. Includes health checks, screening, immunisation, risk-factor management and evidence-based preventative programs. Excludes acute care services
<b>Community care</b>	Non-hospital health and support services delivered in community settings (home, clinic, local facilities), to maintain health and independence and prevent hospitalisation, including nursing, allied health, personal care and coordination
<b>cps</b>	Cents per share
<b>Employee sentiment</b>	As measured by employee engagement survey conducted by Peakon (Workday)
<b>eNPS</b>	Employee Net Promoter Score
<b>EPS</b>	Earnings per share
<b>Everyday prevention</b>	Self-paced digital health programs supporting prevention, recovery, and wellbeing across physical, mental, and chronic health needs
<b>Financial wellbeing</b>	Financial wellbeing policies include car and home insurance, income protection and life insurance, pet insurance and travel insurance
<b>FY</b>	Financial year ended/ending 30 June
<b>Health and wellbeing services</b>	Live Better rewards and health services such as homecare, no gap, clinician-guided prevention programs and virtual health
<b>Health engagement</b>	Health engagement includes services such as Live Better rewards and health services such as homecare, no gap, clinician-guided prevention programs, GP consults and virtual health
<b>Health Insurance</b>	Includes both resident and non-resident
<b>Hospital lives</b>	Number of lives that are covered by private hospital insurance

Term	Definition
<b>jNPS</b>	Journey net promoter score. A measure of the likelihood of an existing customer to recommend the brand immediately following the resolution of their customer journey
<b>JV</b>	Joint venture
<b>Live Better or Live Better rewards program</b>	A Medibank program to inspire people to lead a healthier and happier lifestyle, with tools and rewards (for eligible members) to motivate people
<b>MBS</b>	Medicare benefits schedule
<b>Members' Choice networks</b>	Enhanced networks of ancillary providers where customers can enjoy better value on eligible extras services. Includes dental and optical providers, physiotherapy, chiropractic, podiatry, acupuncture and remedial massage
<b>M&amp;A</b>	Mergers and acquisitions
<b>n.m.</b>	Not meaningful
<b>Non-resident PHI</b>	Overseas visitor, working visa and student health covers
<b>NPAT</b>	Net profit after tax
<b>PHI</b>	Private health insurance
<b>Policyholder</b>	The primary person who is insured under a private health insurance policy (other than in relation to overseas students or visitors), who is not a dependent child, and who is responsible for paying the premium
<b>PSEUs or policy units</b>	Policy Single Equivalent Units are used by Medibank as a standard measure of income units. They take into account the number of adults on a policy, and whether they have Hospital Cover or Extras Cover or both. For example, a household with two parents and three children, all of which had both Hospital and Extras Cover, would represent four policy units (2 adults x2 types of Cover = 4). This measure includes residents and non-resident policies and only adult insureds are typically counted in the calculation of PSEUs
<b>Resident PHI</b>	Hospital and/or extras cover under a complying health insurance product
<b>Revenue Mix</b>	The difference between the average premium rate rise and revenue growth per policy unit
<b>SAA</b>	Strategic Asset Allocation. The long-term portfolio asset allocation that meets the expected risk and return objectives of the fund
<b>TAA</b>	Tactical Asset Allocation. The medium-term portfolio asset allocation that varies to the strategic asset allocation in order to help optimise risk-adjusted investment returns in light of the prevailing relative market pricing
<b>Underlying NPAT</b>	Underlying NPAT is calculated based on statutory NPAT 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 movement in COVID-19 reserve and one-off items, especially those that are non-cash, such as asset impairments. Underlying NPAT is not adjusted for outstanding claims provision movements
<b>Virtual health interactions</b>	Includes health concierge, 24/7 nursing, online doctor and mental health triage provided by the Amplar Health network