



Morgan Stanley Conference Presentation

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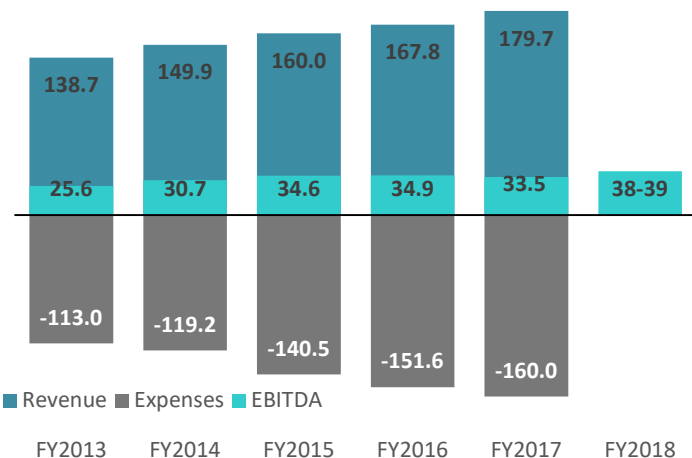
A leading diagnostic imaging business across Australia and (shortly) New Zealand



FY18 Snapshot: A good year

FY18 EBITDA is expected to increase by 13% to 16%, and NPAT to increase by around 20% (prior to transaction and takeover response costs)

IDX Profitability(\$m)



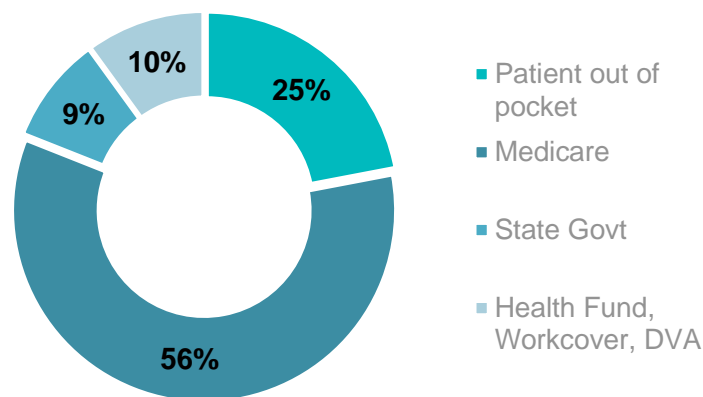
As at 4 June 2018

Share price	\$2.85
Shares on issue	145 m
Market Cap	\$415 m
Dec 2017 net debt	\$42.2m
FY18 forecast EBITDA	\$38m - \$39m

Share Price Performance

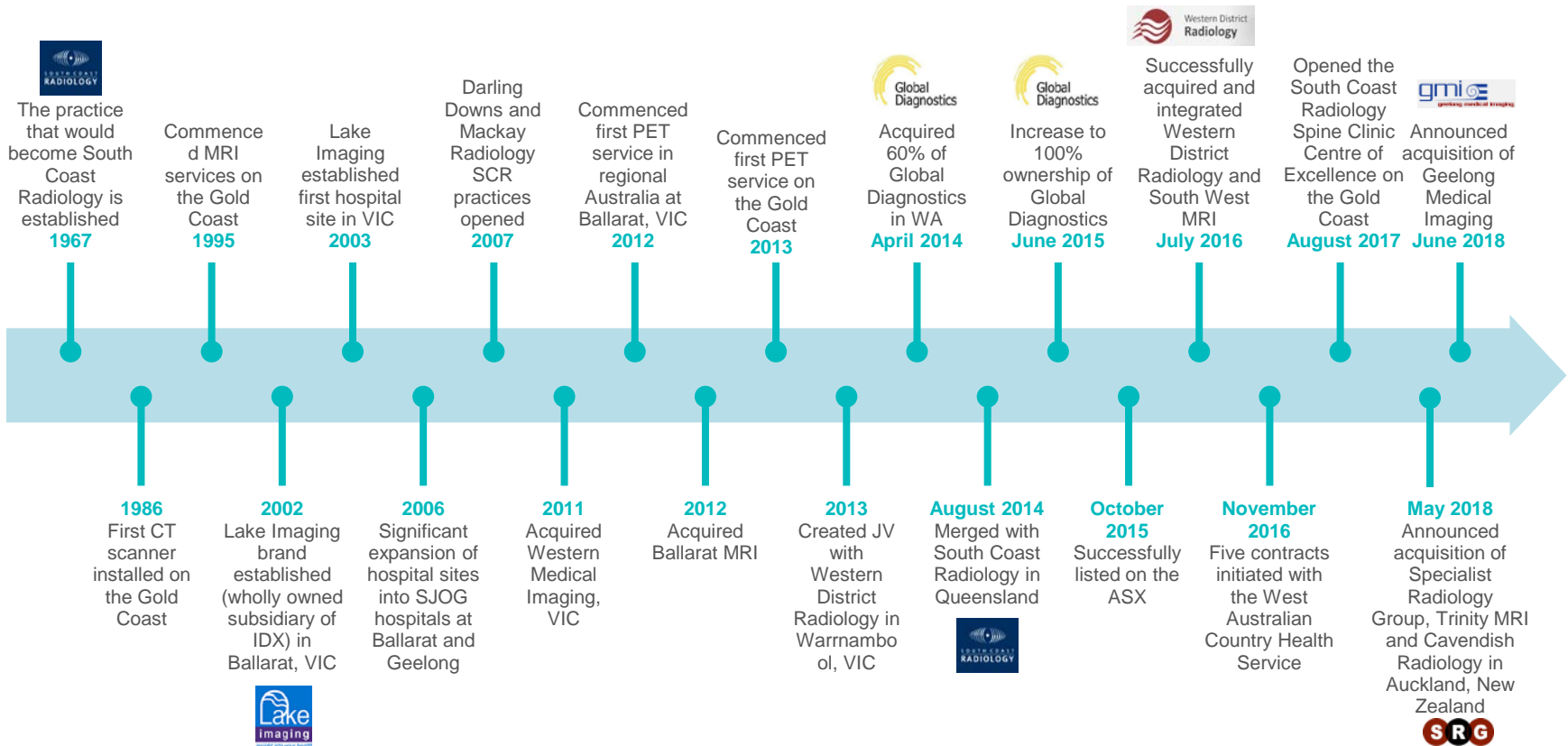


FY18 Revenue Mix YTD



IDX has a proven track record of integrating businesses and delivering sustainable organic growth

Integral Diagnostics has grown from a single clinic to 53 clinics via mergers, acquisitions, hospital contracts, service expansion and greenfield developments*



Source: Integral Diagnostics' management

*Includes announced acquisitions which are expected to be completed in July 2018

IDX will soon be operating in four key markets

					Total IDX
Geographic Market	Victoria	Queensland	Western Australia	New Zealand	
Core markets	Ballarat, Geelong, Warrnambool and outer western areas of Melbourne	Gold Coast, Toowoomba and Mackay	South West Western Australia	Auckland	
Sites (includes hospital sites)	27	13	9	4	53
Hospital sites	7	2	4	-	13
MRI machines	7	7	2	3	19
MRI Licences	4 full 0 partial	3 full 3 partial	2 full 0 partial	na	9 full 3 partial
Employed Radiologists ¹	27	31	8	14	80
Employees	351	348	155	74	928

Source: Integral Diagnostics' management. Includes announced but not completed acquisitions

Note: Reflects current data as at June 2018.

¹ Relates to employed radiologists only. In addition IDX has a number of contractor radiologists (~39 currently)

Attractive industry fundamentals



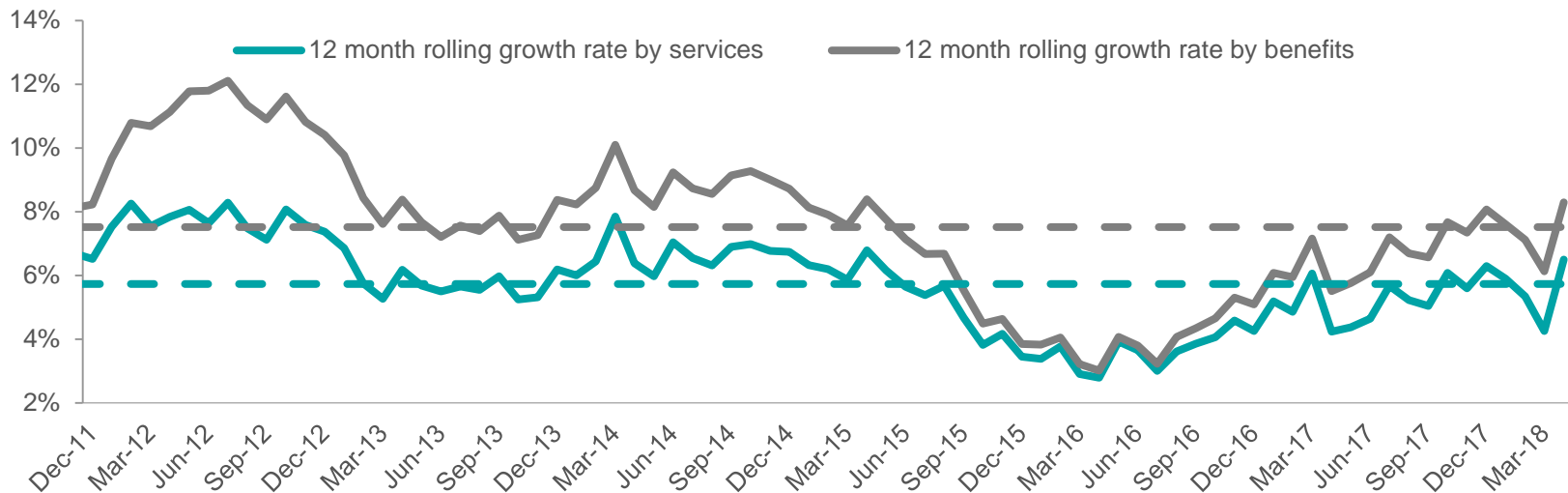
Return of Australian market growth to historic levels

Industry growth is supported by:

- Aging population
- Increased prevalence of chronic disease
- Advancements in technology for early diagnosis and screening

MBS indexation will be reintroduced for targeted DI services from July 2020

The FY19 Federal budget introduced MBS reimbursement for Prostate MRI. This is a positive move for patients, and will also make a profit contribution to IDX. The contribution is partially offset by the removal of MBS reimbursement for GP-referred MRI of the knee in patients over 50



Source: Medicare Australia Statistics Medicare by Broad Type of Service (BTOS) for the States IDX operates in

New Zealand has attractive market fundamentals

Same specialist college as Australia (RANZCR) with reciprocity

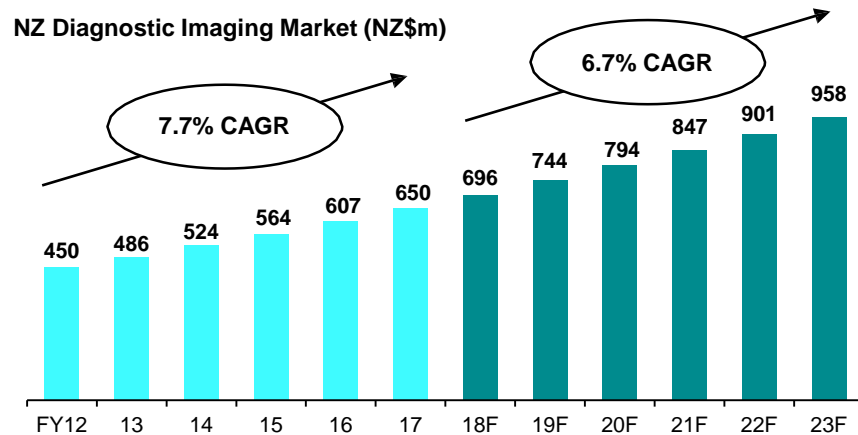
Consistent strong market growth (CAGR ~7%)

Annually indexed reimbursement

More diversified earnings stream relative to Australia

Government supportive of private radiology to expedite return to work and to reduce waitlists – growing focus on preventative healthcare and early detection

Ageing population – number of New Zealanders above 65 years of age are forecast to grow at a CAGR of 3.4% from 2018 to 2023¹

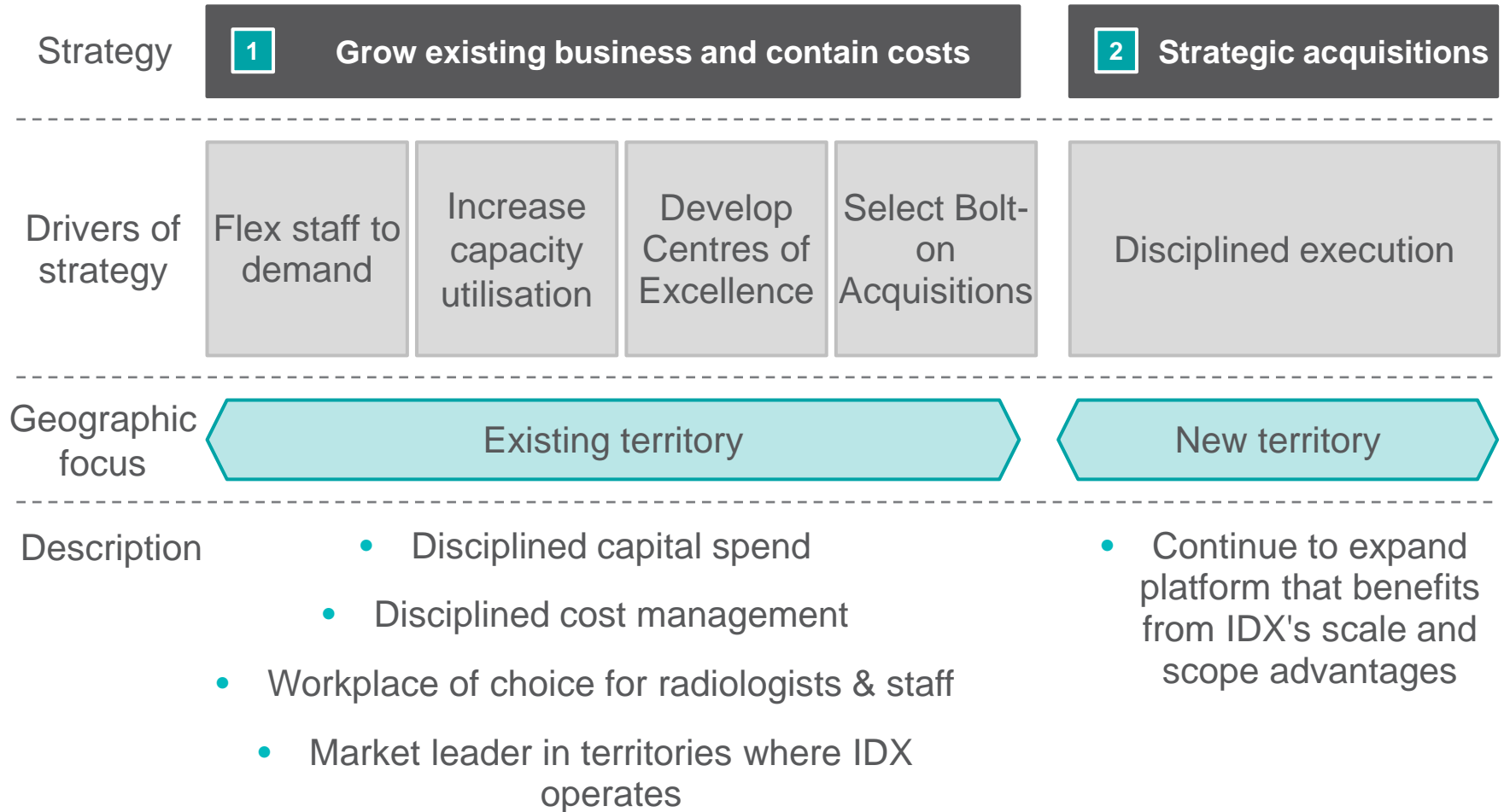


¹ Stats NZDataset: National ethnic population projections, by age and sex, 2013(base)-2038 update

Delivering on our focused growth strategy



Delivering on the strategy



Acquisition of New Zealand's premier diagnostic imaging platform



A strategically compelling acquisition

Transaction overview

- Purchase of Specialist Radiology Group, Trinity MRI and Cavendish Radiology
- Represents leading specialist radiology clinics in Auckland
- Employs leading New Zealand specialists in musculoskeletal radiology and neuroradiology
- Expected to complete in July 2018

Funding structure

- Purchase consideration of NZ\$105m:
 - NZ\$25m in IDX equity – 80% escrowed for up to 5 years
 - NZ\$80m in cash – new \$60m debt facility + existing debt facility
 - Staged earn-out for vendor radiologists

Financial impact

- Positioned to experience good growth while maintaining industry leading margins
- Projected FY19 EBITDA contribution of NZ\$13-14m
- Will increase IDX Net Debt/EBITDA to ~2.2x

Strategically compelling

- Provides the premier platform for IDX to enter and grow in New Zealand
- New Zealand has attractive market fundamentals
- Strong strategic and cultural fit – doctor led operating model focused on high end specialist services
- Diversifies Group revenues
- Immediately EPS accretive

Good Auckland based locations and equipment

Clinic	Services	Modalities	Doctors
Greenlane	Comprehensive clinic with MSK specialists	1 MRI 1 CT SPECT 2 Ultrasounds 1 X-ray 1 Fluoro	9 (shared across Greenlane, Manukau and Pukekohe)
Manukau	Comprehensive clinic with MSK specialists	1 MRI 1 CT 2 Ultrasounds 1 X-ray	7 (shared across Greenlane, Manukau and Pukekohe)
Newmarket	Specialist brain, spine, neurovascular imaging	1 MRI	5 neuroradiologists
Pukekohe	X-ray services	1 X-ray	7 (shared across Greenlane, Manukau and Pukekohe)

- Prominent practice locations in the Auckland market
- Major capex has already been incurred
- Cost weighted average remaining life estimated at about 10 years

TRINITYMRI
BRAIN. SPINE & NEUROVASCULAR IMAGING



SPECIALIST RADIOLOGY GROUP
CAVENDISH RADIOLOGY



Specialist radiologists who are recognised experts

- Highly regarded team, including leading MSK and Neuro-Vascular radiologists
- Radiologists all spend substantial amounts of time working in public hospitals, which helps build referrer relations
- Practices are strategically located maximising interaction between radiologists and referring doctors:
 - Close to Auckland's leading tertiary care hospitals
 - Co-located in multidisciplinary practices with large volume referrers

Strong fit on all measures

- Strategic and cultural fit with IDX's doctor led operating model focussed on high end specialised radiology services
- Leading MSK and neuro-interventional radiologists add value to the IDX group skillset
- Demonstrated track record of achieving strong revenue growth at market-leading profitability
- Diversifies revenues geographically and by payor type
- Identified cost synergies of NZ\$500k pa
- Immediately EPS accretive

Strategic bolt-on acquisition in Geelong complements IDX's existing network



Acquisition of Geelong Medical Imaging (GMI)

- GMI acquisition adds two radiology clinics in Geelong region
 - Specialist diagnostic services: X-Ray, ultrasound, CT, MRI and nuclear medicine
 - Ongoing employment agreement with 3 year minimum term with the vendor radiologist who is dual-trained in radiology and nuclear medicine
 - Dual-trained specialist radiologist provides additional coverage for IDX's newly commissioned PET Scan in Geelong
- Purchase price of \$4.7m comprising \$1.1m in IDX shares (subject to voluntary escrow), \$3.1m cash payable on completion, and \$0.5m deferred cash payment
- FY19 EBITDA contribution for GMI business projected to be \$1m



Focused growth strategy is delivering results



Positive outlook

On track to deliver FY18 expectations

- Full year normalised FY18 NPAT growth of around 20% (before transaction costs and takeover response costs)
- FY18 EBITDA in the range between \$38m to \$39m
- FY18 Capex of \$17m (growth: \$7m; replacement: \$10m)

Looking forward to FY19

- Following completion of the acquisition in New Zealand and Geelong, IDX will operate 53 radiology clinics, including 13 hospital sites
- Underlying market fundamentals in Australia and New Zealand will drive continued organic growth
- New Zealand acquisition of Specialist Radiology Group, Trinity MRI and Cavendish Radiology projected to add NZ\$12-13m EBITDA in FY19
- Acquisition of Geelong Medical Imaging projected to add \$1m EBITDA in FY19

Thank you. Questions?



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