

19 November 2018

ASX release

Garrison Health Services contract update

Medibank has today been verbally informed by the Australian Government Department of Defence that while the Defence process is not complete, Medibank has not been selected as the preferred tenderer for the renewal of the Garrison Health Services contract.

It has been a privilege to provide healthcare services to the Australian Defence Force (ADF) for the last six years. During this time, Medibank has provided a high level of care to more than 60,000 permanent and 20,000 reservist ADF personnel, consistently meeting the key performance indicators required by the ADF.

We will continue to perform the services under the current contract until its expiry date on 30 June 2019.

The operating profit from the Garrison Health Services contract in FY18 was approximately \$30 million. We expect exit costs associated with the loss of the Garrison Health Services contract to be in the order of \$5 million in the second half of FY19. We don't expect any material stranded costs.

Medibank remains committed to the delivery of health services across Australia.

Investor briefing:

An investor briefing will be held today at 12.00pm AEDT. Details of the call are below. Please note, media are welcome to join the investor call in listen-only mode.

Time:	12.00pm AEDT
Conference ID:	202388
Australia Toll Free:	1800 908 299
Australia Toll Free (alt):	1800 455 963
International:	+61 2 9007 8048

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