
ANNOUNCEMENT TO THE ASX

IBA Presentation of Half-Year Results to 31 December 2008

Sydney – Tuesday, 17 February 2009 – IBA Health Group Limited (ASX: IBA) – Australia's largest listed health information technology company, today announced the Executive Chairman, Gary Cohen, will make the attached presentation of IBA's half year results to 31 December 2008 at 11.00am today at the Heritage Room, Intercontinental Hotel, 117 Macquarie Street, Sydney.

The presentation should be read in conjunction with the Appendix 4D lodged earlier today.

To access the live webcast click on the following link: <http://www.brr.com.au/event/55128>

The presentation will be available on IBA's website www.ibahealth.com.

End of release

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About IBA Health Group

IBA Health Group Limited (ASX-IBA) is the largest health information technology company listed on the Australian Securities Exchange and trades globally under the brand name "iSOFT".

IBA builds software applications for healthcare. We work with healthcare professionals to design and build solutions that answer all of the difficult questions posed by today's care delivery challenges. Our solutions act as a catalyst for change, supporting the free exchange of critical information across diverse care settings and participant organisations. We are the leader in the provision of advanced application solutions in modern healthcare economies around the world

Today, over 13,000 provider organisations in 35 countries across five continents use IBA's solutions to manage patient information and drive improvements in their core processes. The group's sustainable development is delivered through careful planning, in-depth analysis of our market and anticipation of evolving requirements. Our business is driven by the collective talent, experience and commitment of more than 4,000 specialists around the globe, including over 1,700 technology and development professionals.

A global network of IBA subsidiaries, supported by an extensive partner network, provides substantial experience of national healthcare markets. As a result we offer our customers comprehensive knowledge of local market requirements, in terms of culture, language, working practice, healthcare regulation and organisational structure.

For more information on IBA Health, please visit the company's website at www.ibahealth.com

IBA Health Group
Results Presentation 31 December 2008

HARNESSING OUR GLOBAL STRENGTH

Gary Cohen
 Executive Chairman & CEO

Martin Deda
 Group Finance Director

February 17, 2009

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Disclaimer

This presentation has been prepared by IBA Health Group Limited and its subsidiaries (IBA) in connection with its half-year results presentation – February 2009. The material that follows is a presentation of general background information about IBA's activities current at the date of the presentation, 17th February 2009. It is information given in summary form and does not purport to be complete. It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor.

Statements contained in this presentation may contain forward-looking statements with respect to IBA's financial condition, results of operations, business strategies, operating efficiencies, competitive position, growth opportunities for existing products and services, plans and objectives of management and other matters. Statements in this presentation that are not historical facts are "forward-looking statements".

These forward-looking statements are estimates reflecting the best judgement of senior management of IBA and involve a number of risks and uncertainties that could cause actual results to differ materially from those suggested by the forward-looking statement.

All currency is reflected in Australian Dollars unless otherwise stated.

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IBA Health Group Today

- Founded 1982
- Listed on ASX in 2000 (ASX: IBA)
- Included in S&P/ASX All Australian 200 Index (Dec. 08)
- 787 million shares on issue (46m convertibles)
- Market value of \$630 million (as at 16 Feb.)
- Ranked 150th by market value (as at 13 Feb.)

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What Does IBA Health Do?

Global leader
in providing
IT solutions to the
healthcare industry

Delivering solutions in
36 countries
across
five continents

13,000+
installations

4,200
employees in
16 countries

31
strategic products,
including **LORENZO**
- the next generation
health IT solution

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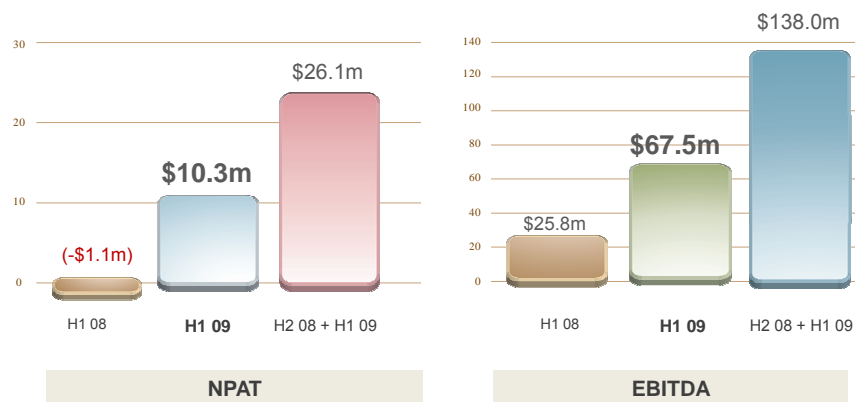
First-Half Highlights

- ✓ Reported revenue growth 168% pcp
- ✓ Solid revenue growth across all geographies
- ✓ Profit growth
- ✓ Reaffirmed FY09 guidance
- ✓ \$78 million in new or renewed contracts in H1

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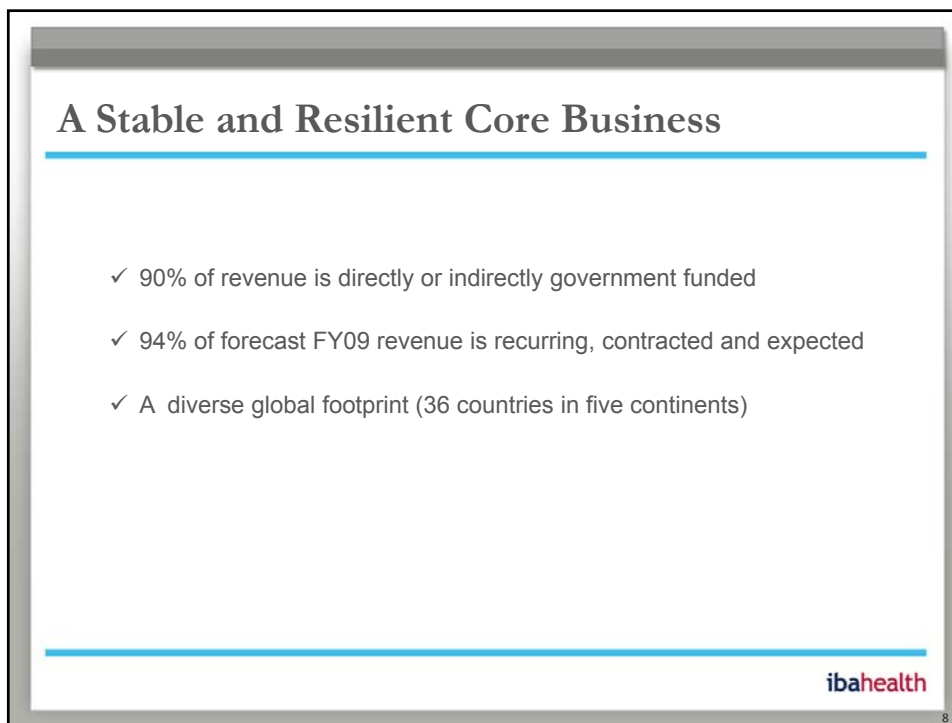
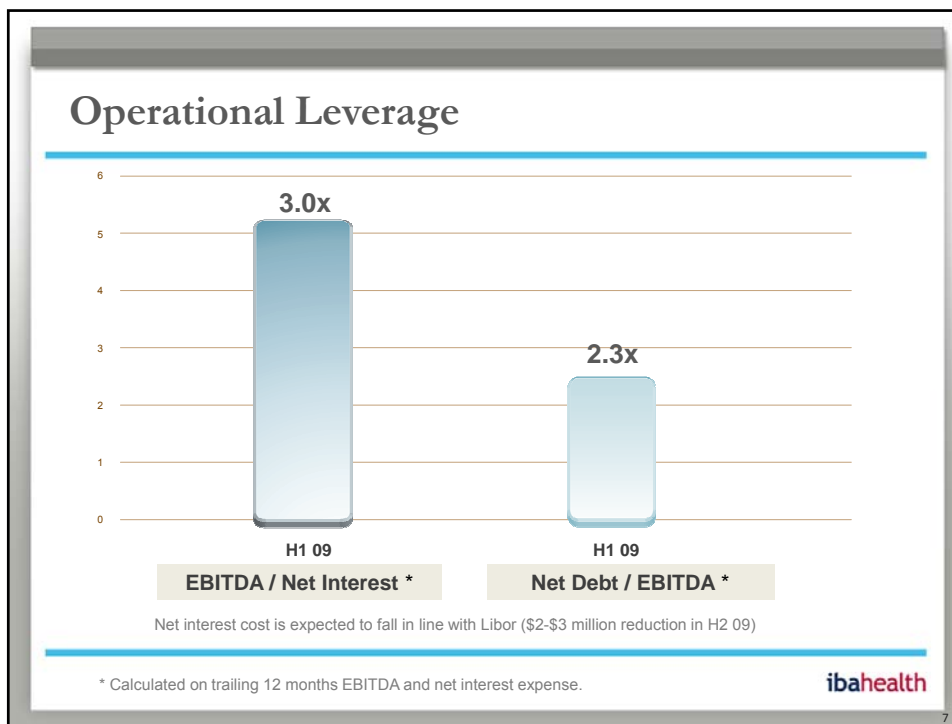
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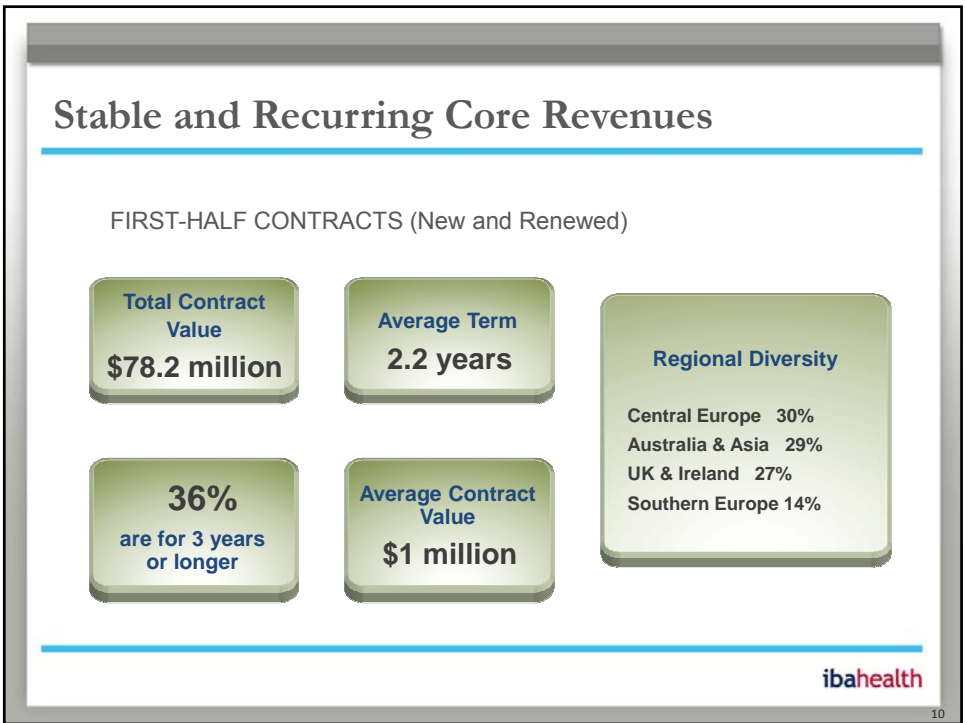
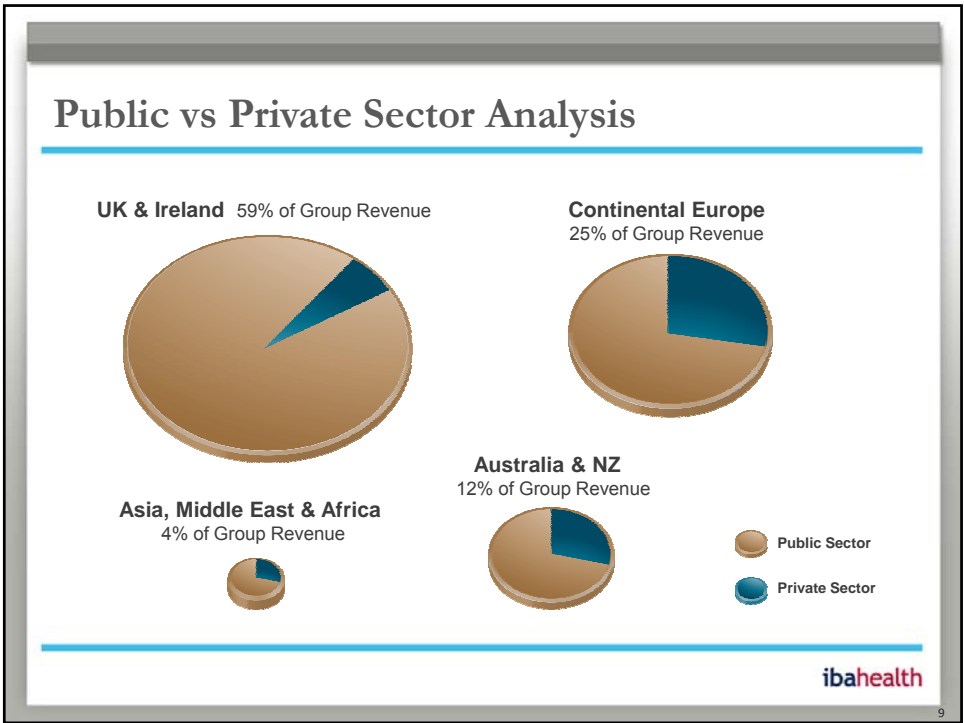
Key Financials

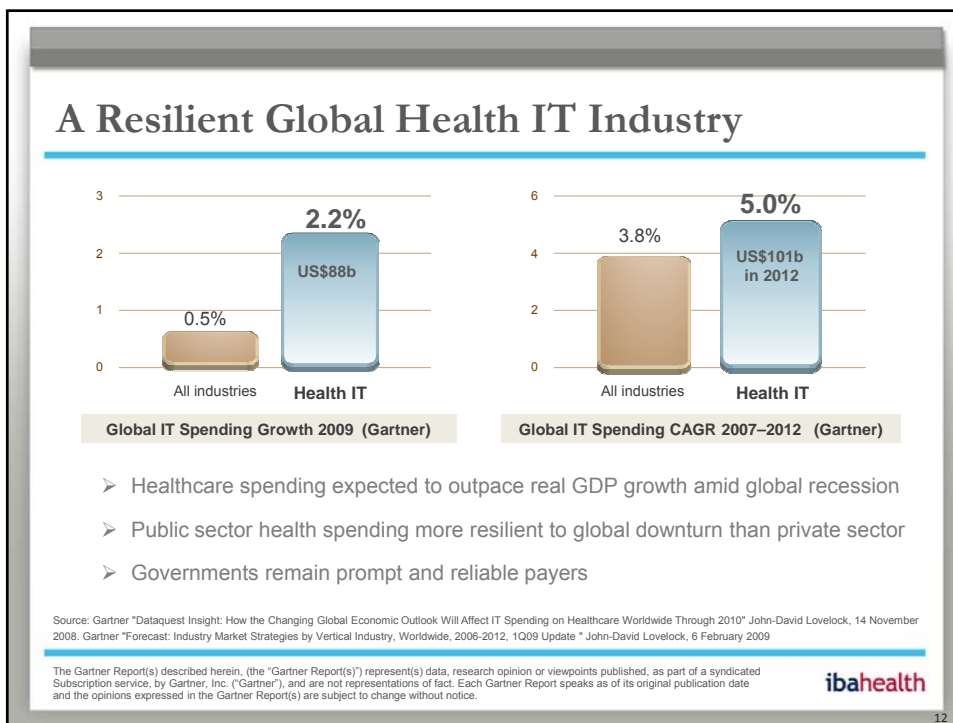
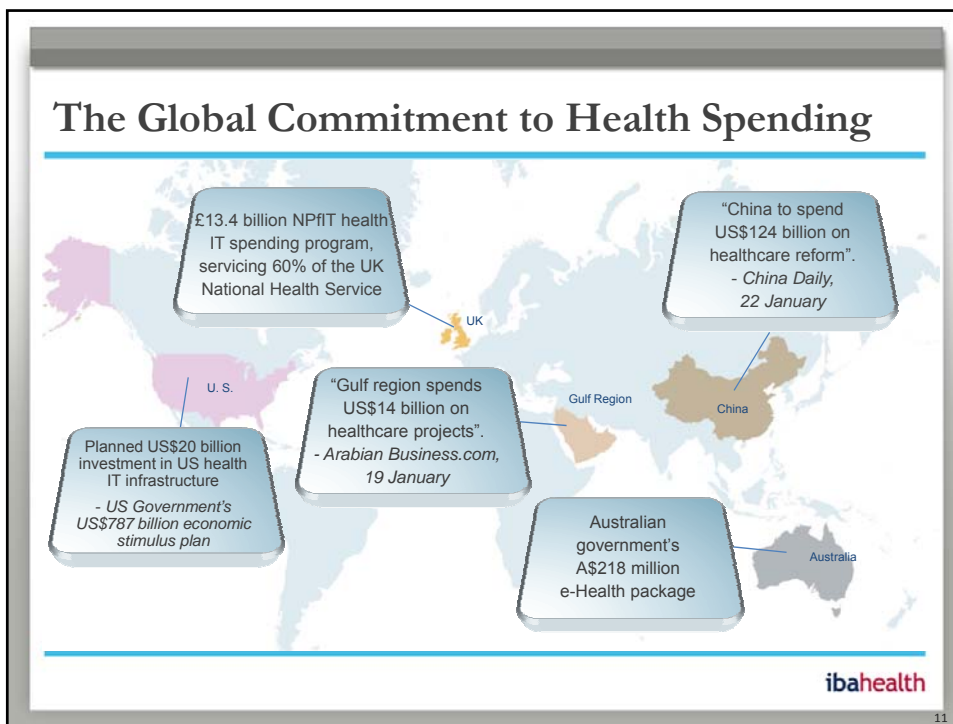


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Building on our Global Footprint

SOUTHERN EUROPE & LATIN AMERICA	ISOFT FINANCIAL	CENTRAL EUROPE	UK & IRELAND	AUSTRALIA & SOUTHEAST ASIA
<ul style="list-style-type: none"> • x-HIS product sold in Mexico and other Latin American countries. • Exploring opportunities in Italy. 	<ul style="list-style-type: none"> • Financial product sold in Australia. • Potential customers targeted in Australia, Asia, Middle East and Africa. 	<ul style="list-style-type: none"> • Exploring opportunities for LabCentre in Australia and New Zealand, UK and Southeast Asia. 	<ul style="list-style-type: none"> • Exploring opportunities in Scandinavia and Commonwealth countries 	<ul style="list-style-type: none"> • Primary care product bid in Asia, Middle East, Africa and the UK • Exploring opportunities in Taiwan and Indonesia.

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LORENZO – NPfIT (UK) Update

H1 Highlights:

- ✓ South Birmingham becomes first early adopter site to Go-Live with Release 1
- ✓ Morecambe Bay becomes second early adopter site to Go-Live with Release 1
- ✓ Release 2 delivered for testing to CSC on time

Milestones:

- Planned Go-Live at early adopter site at Bradford in Q1 09
- Planned Go-Lives for Release 2 at seven early adopter sites in Q3 09

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LORENZO CLINICALS – The Global Story

H1 Highlights:

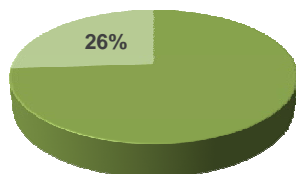
- ✓ Lorenzo Clinical v2.8 Go-Live in German and Dutch early adopter sites
- ✓ Lorenzo Clinical v3.0 delivered for Beta testing

Milestones:

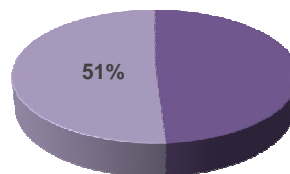
- Lorenzo Clinical v3.0 planned Go-Live in Germany and Holland by Q4
- Lorenzo Clinical v3.0 introduction in Australia in FY 09
- Lorenzo Clinical v3.0 planned entry in additional countries in FY 09

Managing Our NPfIT Commitment

NPfIT Contribution to Group Revenue

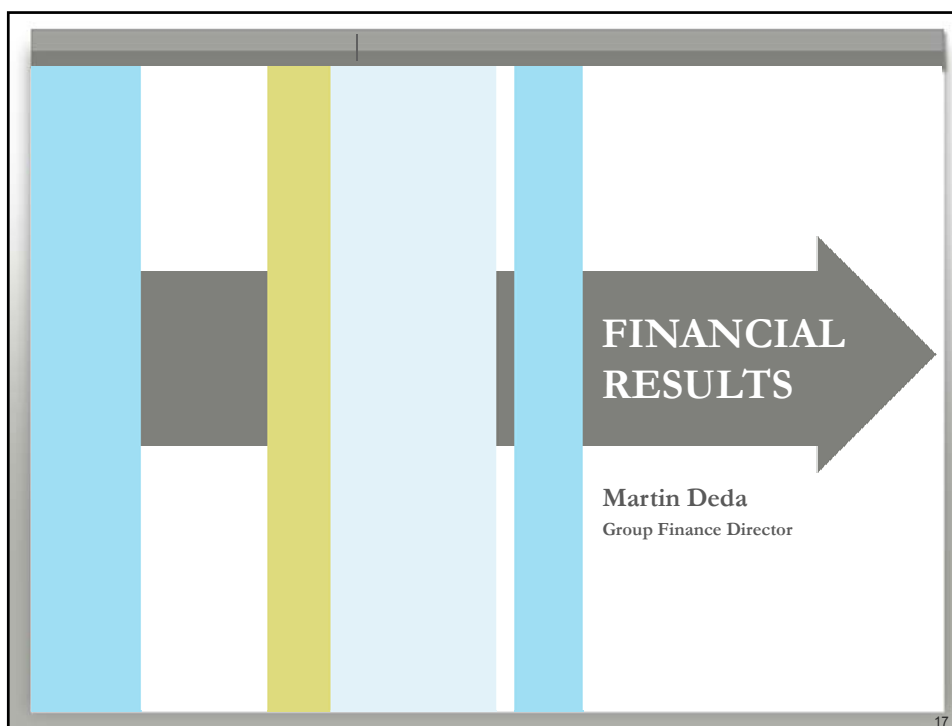


NPfIT Contribution to UKI Revenue



Renegotiated partnership agreement with CSC

- Approximately 80% of revenue comes from scheduled payments.



Financial Highlights

	H1 09 \$m	H1 08 ⁽³⁾ \$m	% change
Revenue	275.4	102.8	168%
Reported EBITDA	67.5	25.8	161%
Underlying EBITDA ⁽¹⁾	68.5	33.7	103%
Reported EBIT	41.9	12.6	232%
Reported NPAT	10.3	(1.1)	N/A
Underlying NPAT ⁽²⁾ (after minorities)	25.8	12.9	100%
Earnings per share (basic) in cts ^(2,4)	1.20	(0.20)	N/A
Underlying EPS ^(2,4)	3.17	2.07	53%
Cash at end of period	44.1	55.7	(21)%
Net cash from operating activities ⁽⁵⁾	(12.9)	8.2	N/A

Currency on prior period H1 08 comparison basis had a marginal effect on current period results. For currency effects against H2 08, refer to slide results at constant currency.

(1) Figures reported as "underlying EBITDA" have been adjusted for one-off exceptional items, integration and one-off acquisition costs.

(2) Figures reported as "underlying earnings" have been adjusted for amortisation of intangibles on acquisition, one-off exceptional items, integration, one-off acquisition costs and impairment charges, net of tax.

(3) Actual financial information includes ISOFT earnings from the date of the acquisition, which is 30 October 2007. If revenues of ISOFT were included for the full H1 08, the total revenue would have been approximately \$226 million. H1 09 revenue would be a 21.8% increase on H1 08 on a like for like basis.

(4) Reported and underlying EPS are calculated with a different average number of shares outstanding for each period.

(5) In the Cash Flow Statement interest paid has been reclassified from operating activities to financing activities in order to align with the presentation in the condensed consolidated interim financial report.

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Financial Highlights (12 Months YTD)

	H1 09 + H2 08	H1 09
	\$m	\$m
Revenue	533.5	275.4
Reported EBITDA	138.0	67.5
EBITDA margin	26%	25%
Underlying EBITDA ⁽¹⁾	140.4	68.5
Depreciation	(8.7)	(4.5)
Amortisation	(40.2)	(21.1)
Impairment ⁽²⁾	(5.1)	-
Reported EBIT	83.9	41.9
Finance cost	(46.2)	(26.6)
Income tax	(11.6)	(4.9)
Reported NPAT	26.1	10.3
Underlying NPAT ⁽²⁾ (after minorities)	56.4	25.8
Earnings per share (basic) in cts ^(3,4)	3.35	1.20
Underlying EPS ^(3,4)	7.12	3.17
Net cash from operating activities ⁽⁵⁾	46.4	(12.9)

- (1) Figures reported as "underlying EBITDA" have been adjusted for one-off exceptional items, integration and one-off acquisition costs.
(2) There was no impairment in the current period. An impairment of \$5.179 million was recognised during the second half of the financial year to 30 June 2008, representing an impairment on intellectual property for a discontinued product line.
(3) Figures reported as "underlying earnings" have been adjusted for amortisation of intangibles on acquisition, one-off exceptional items, integration, one-off acquisition costs and impairment charges, net of tax.
(4) Reported and underlying EPS are calculated with a different average number of shares outstanding for the 12 months and 6 months period presented.
(5) In the Cash Flow Statement interest paid has been reclassified from operating activities to financing activities in order to align with the presentation in the condensed consolidated interim financial report.

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EBITDA to NPAT

	H1 09	H2 08	H1 08 ⁽¹⁾
	\$m	\$m	\$m
Reported EBITDA	67.5	70.5	25.8
Depreciation	(4.5)	(4.3)	(2.0)
Amortisation	(21.1)	(19.1)	(11.2)
Impairment	-	(5.1)	-
Reported EBIT	41.9	42.0	12.6
Finance cost	(26.6)	(19.5)	(11.0)
Income tax	(4.9)	(6.7)	(2.7)
Reported NPAT	10.3	15.8	(1.1)

- Reported EBITDA and NPAT are respectively \$3.0 and \$5.5 million lower than in the preceding half year period. This is due to an increase of operating expenditure which was announced at the 30 June 2008 year end. In addition, lower NPAT in H1 09 against H2 08 is due to the higher finance costs, in particular from the subordinated AEP Loan. Also refer to financial results slide which reflects the same trend.
There was no impairment in the current and comparative period. An impairment of \$5.1 million was recognised during the second half of the financial year to 30 June 2008, representing an impairment on intellectual property for a discontinued product line.

(1) Actual financial information includes ISOFT earnings from the date of the acquisition, which is 30 October 2007.

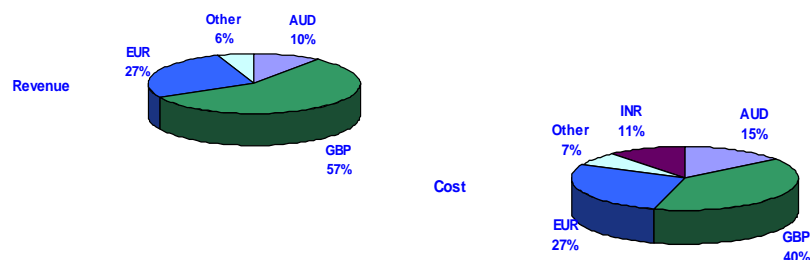
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Cash Flow Analysis

	H1 09 \$m
Underlying EBITDA ⁽¹⁾	68.5
Software Capitalisation	(6.0)
Net increase in accrued revenue	(24.1)
Net decrease in deferred revenue	(18.0)
FY08 Bonus accruals paid in period	(7.0)
Movements in receivables	(18.1)
Movements in payables	3.4
ESA settlement payment one-off	(11.6)
Total impact on cash flow	(81.4)
Reported net operating cash flow ⁽²⁾	(12.9)

- (1) Figures reported as "underlying EBITDA" have been adjusted for one-off exceptional items, integration and one-off acquisition costs.
- (2) In the Cash Flow Statement interest paid has been reclassified from operating activities to financing activities in order to align with the presentation in the condensed consolidated interim financial report.
- (3) IBA expects to return to positive operating cash flow in H2.

Currency Impacts



77% of business naturally hedged with revenue and cost

80% of Indian Rupee costs are hedged against GBP revenue

Debt Analysis

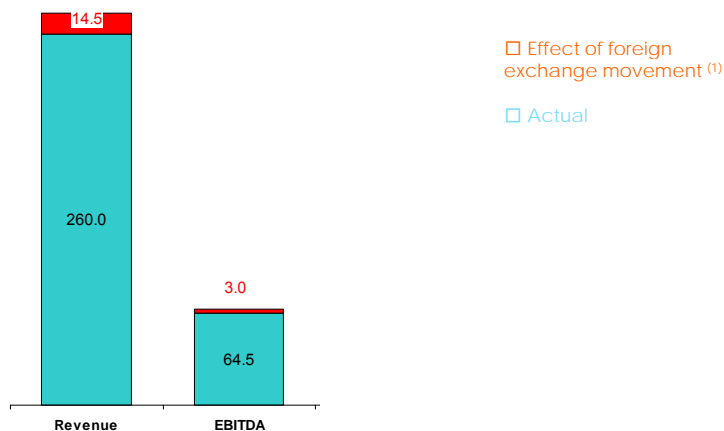
	Currency	Dec '08 \$m	Jun '08 \$m	Maturity	Interest rate
Borrowings					
• Senior secured borrowings ⁽¹⁾	GBP 96m	193.9	168.3	31-Oct-11	Average 7.1% (libor base plus a spread margin)
• Secured revolving bank facilities	AUD	9.0	9.0	31-Jul-09	9.16%, revolving 364 days
• Subordinated secured borrowings	AUD	60.0	57.6	30-Jun-09	Fixed base 10% + 4.5% margin + 4% PIK + warrants
• Convertible notes payable	AUD	31.7	30.8	31-Oct-12	Interest equal to a dividend if declared
• Contract funding ⁽²⁾	GBP, EUR, AUD	68.5	65.8	2012	6.9%
• Other Borrowings		1.5	-		
• Finance lease liability		1.4	1.7		
Total borrowings		366.0	333.3		
Cash		44.1	54.2		
Total net debt		321.9	279.1		
Total net debt (excluding sub & convertible debt)		230.2	190.7		

- (1) During the reporting period, GBP 12 million was drawn down to a total of GBP 96 million. Senior secured borrowings are denominated in GBP. The weakened position of the AUD has resulted in an increased AUD equivalent of these borrowings. The remainder of the increase is therefore currency movement.
- (2) Contract funding: Money to be earned from some ongoing contracts of the ISOFT Group has previously been paid in advance by third party lenders. This practice ceased after the acquisition of ISOFT. The majority of contract funding is denominated in Euros and GBP. The increase in the balance is entirely a consequence of foreign exchange effects when translated into Australian Dollars. At the reporting date, total contract funding (current and non-current) amounted to EUR22.5m, GBP5.3m, AUD11.5m (30 June 2008: EUR22.8m, GBP6.5, AUD14.9m respectively).

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Results at Constant Currency (\$m)



(1) Effect of foreign exchange movement to H2 08 Exchange Rates

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Balance Sheet

Assets				Liabilities and equity			
	Dec '08		Jun '08		Dec '08		Jun '08
	\$m	%	\$m	%	\$m	%	\$m
Cash and cash equivalents	44.1	3%	54.2	4%	Borrowings	115.8	8%
Total current assets	254.1	18%	218.4	17%	Total current liabilities	312.6	22%
Intangible assets (incl DTA) ⁽²⁾	1,125.3	79%	1,032.5	80%	Borrowings	250.2	18%
Total non-current assets	1,167.7	82%	1,073.0	83%	Total non-current liabilities	390.7	27%
Total assets	1,421.8	100%	1,291.3	100%	Total liabilities	703.3	49%
					Total equity	718.5	51%

Key ratios:

• Gearing ratio	45 %	48 %
• Adjusted gearing ratio ⁽¹⁾	28 %	28 %
• Adj leverage ratio ⁽³⁾	2.1 x	2.0 x
• Adj interest cover ratio ⁽⁴⁾	4.4 x	3.9 x

- Gearing ratio (net debt/equity) expected to reduce to 33% in FY09.
- Adjusted interest cover (Adj EBITDA/ Bank Senior finance costs) to improve to approximately 6x in FY09

(1) "Adjusted gearing ratio" is calculated as if subordinated debt and convertible notes were equity.

(2) During the reporting period, the Australian Dollar reporting currency of the Consolidated Entity weakened quite significantly against the British Pound, Euro and other currencies. The translation of goodwill and intangibles, held by the relevant reporting segments of the Consolidated Entity and denominated in the segment's respective functional currency resulted in an unrealised foreign currency gain of \$114.2 million on consolidation, which is recognised in equity. Amortisation in the period amounted to \$21.1 million.

(3) "Adjusted leverage ratio" is the Bank Senior Debt to adjusted EBITDA, which is before subordinated debt and convertible note finance cost.

(4) "Adjusted interest cover ratio" is adjusted EBITDA to Bank Senior finance costs.

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OUTLOOK & GUIDANCE

Gary Cohen
Executive Chairman & CEO

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Outlook & Guidance

FY09 guidance reaffirmed

- FY09 forecast revenue – in range of \$540 – \$560m⁽¹⁾
- FY09 forecast EBITDA – in range of \$120 - \$130m⁽¹⁾
- EBITDA margin of 23% – after FY09 expenditure for future growth
- On track to reinstate a dividend in FY 09
- Interest expense to reduce in H2

⁽¹⁾Assuming AUD / GBP 0.469; AUD / EURO 0.590; AUD / INR 39.000

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Core Strengths

- ✓ Public sector health IT spending is growing globally
- ✓ Recurring revenue streams, predominantly in lower-risk public sector
- ✓ A key stakeholder in the world's biggest health IT project (*NPfIT*)
- ✓ LORENZO – the world's next-generation health IT innovation
- ✓ Long-term contracts spread across a diverse global footprint

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Proposed New Name

iSOFT GROUP LIMITED (ASX: ISF)

- Align the company's name with our major brand
- Embrace a common identity among our shareholders, customers and employees
- Subject to shareholder approval

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EBITDA Analysis

	H1 09 \$m	H2 08 \$m	H1 08 ⁽²⁾ \$m
Reported EBITDA	67.5	70.5	25.8
Integration costs	-	0.3	3.1
Hedging loss on iSOFT purchase	-	-	2.4
<i>Exceptional items</i>			
Redundancies	1.0	0.1	1.9
Office closure and relocation	-	1.0	0.5
Underlying EBITDA ⁽¹⁾	68.5	71.9	33.7

Reported EBITDA and NPAT are respectively \$3.0 and \$5.4 million lower than in the preceding half year period. This is due to an increase of operating expenditure which was announced at the 30 June 2008 year end. Also refer to financial results slide which reflects the same trend.

(1) Figures reported as "underlying EBITDA" have been adjusted for one-off exceptional items, integration and one-off acquisition costs.

(2) Actual financial information includes ISOFT earnings from the date of the acquisition, which is 30 October 2007.

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Debt Analysis

	Currency	Dec '08 \$m	Jun '08 \$m	Maturity	Interest rate
Borrowings					
• Senior secured borrowings ⁽¹⁾	GBP 6.8m	13.7	-		Average 7.1% (libor base plus a spread margin)
• Secured revolving bank facilities	AUD	9.0	9.0	31-Jul-09	9.16%, revolving 364 days
• Subordinated secured borrowings	AUD	60.0	57.6	30-Jun-09	Fixed base 10% + 4.5% margin + 4% PIK + warrants
• Contract funding	GBP, EUR, AUD	31.8	30.2	2012	6.9%
• Other Borrowings		0.4	-		
• Finance lease liability		0.9	1.3		
Total current borrowings		115.8	98.1		
Borrowings					
• Senior secured borrowings ⁽¹⁾	GBP 89.2m	180.2	168.3	31-Oct-11	Average 7.1% (libor base plus a spread margin)
• Convertible notes payable	AUD	31.7	30.8	31-Oct-12	Interest equal to a dividend if declared
• Contract funding	GBP, EUR, AUD	36.7	35.6	2012	6.9%
• Other Borrowings		1.1	-		
• Finance lease liability		0.5	0.4		
Total non-current borrowings		250.2	235.2		
Total borrowings		366.0	333.3		
Cash		44.1	54.2		
Total net debt		321.9	279.1		
Total net debt (excluding sub & convertible debt)		230.2	190.7		

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