PRIMARY
HEALTH CARE LIMITED

2015 AGM

26 NOVEMBER 2015

ROB FERGUSON
CHAIRMAN

PRIMARY HEALTH CARE LIMITED

2015 RESULTS

$ MILLION	YEAR ENDED 30 JUNE 2015	YEAR ENDED 30 JUNE 2014 (RESTATED)	MOVEMENT %
Revenue	**1,618.5**	1,524.1	6.2%
Reported NPAT	**136.5**	114.6	19.1%
Underlying NPAT	**119.1**	114.6	3.9%
Reported Earnings per share (cents)	**26.7**	22.7	17.6%
Underlying Earnings per share (cents)	**23.3**	22.7	2.6%
Dividends per share (cents)	**20.0**	20.0	–

PRIMARY HEALTH CARE LIMITED

DR EDMUND BATEMAN

PRIMARY HEALTH CARE LIMITED

EXECUTIVE AND BOARD

EXECUTIVE	BOARD
Appointment of Peter Gregg as CEO and MD	Retirement of 3 executive directors
Appointment of Malcolm Ashcroft as CFO	Appointment of 2 non-executive directors: • Robert Hubbard • Gordon Davis
Appointment of new executives	

REMUNERATION

FY 2015

- Board discretion in adopting underlying EPS
- No STI or LTI awards linked to EPS

FY 2016

- Executive packages
  - Aligned with performance
  - Appropriate mix of fixed / at-risk
- STIs
  - Targets – 70% NPAT, 30% individual
  - Awards – 75% in cash, 25% in rights deferred in equal tranches over 2 years
- LTIs
  - Targets – 50% relative TSR, 50% ROIC
  - Awards – 100% in performance rights, deferred for minimum 3 years

ROB FERGUSON
CHAIRMAN

PRIMARY HEALTH CARE LIMITED

PETER GREGG

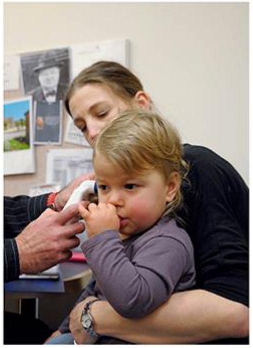
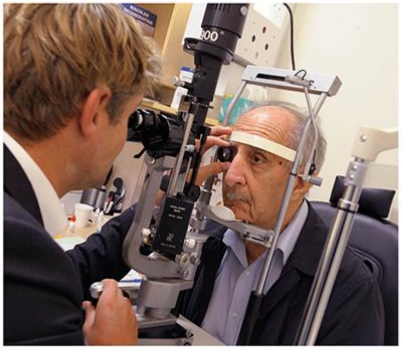
MANAGING DIRECTOR AND CEO

2015 YEAR IN REVIEW

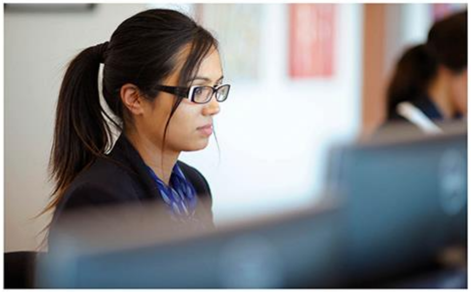
ACHIEVEMENTS

- Improved accounting treatment of Healthcare Practitioner (HCP) acquisition costs
- Tax refund received and settlement of tax liabilities of HCPs negotiated with ATO
- IVF commenced in NSW and 2nd site opened in Victoria
- Bridge Road Imaging in Victoria opened
- Strategic Review undertaken

PRIMARY HEALTH CARE LIMITED

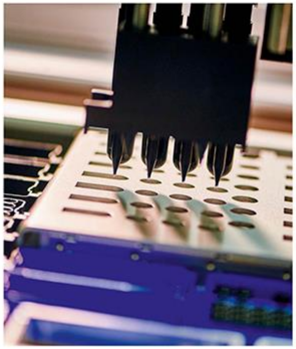



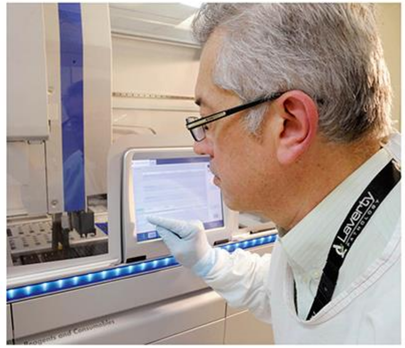

MEDICAL CENTRES

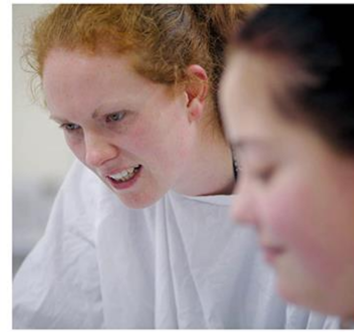
MEDICAL CENTRES

STRATEGIC REVIEW INITIATIVES	ACHIEVEMENTS TO-DATE
Grow market share with roll out of large-scale multi-disciplinary medical centres	✓ NSW site approved ✓ 3 large scale and 1 super centre in pipeline
Improve HCP recruitment and retention	✓ Flexible recruitment packages ✓ Q1 recruitment / retention ahead ✓ Training / clinical support





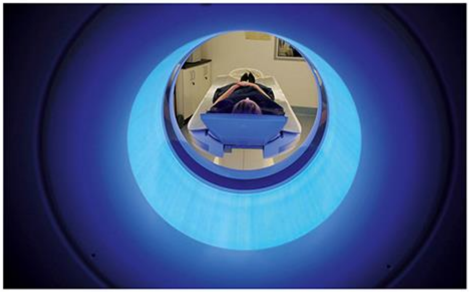
PATHOLOGY




PATHOLOGY

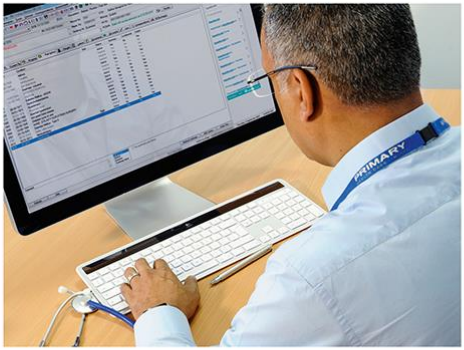
STRATEGIC REVIEW INITIATIVES	ACHIEVEMENTS TO-DATE
Expand non-routine specialties	✓ Opportunities under review
Explore opportunities offshore	✓ Opportunities under review
Robust business case for Approved Collection Centres (ACCs)	✓Tighten hurdles for new ACCs/resigns ✓Close non-performing ACCs

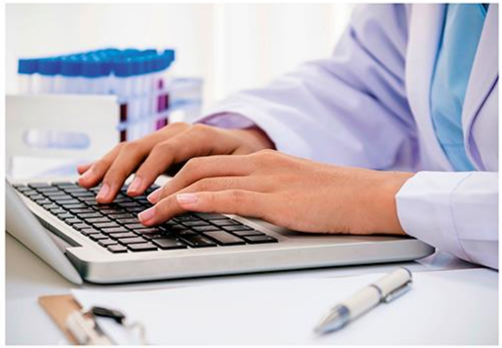
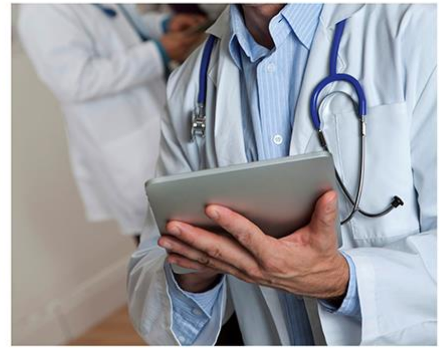
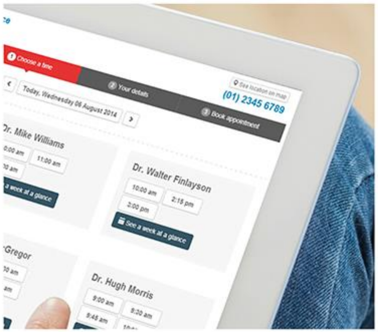
IMAGING



IMAGING

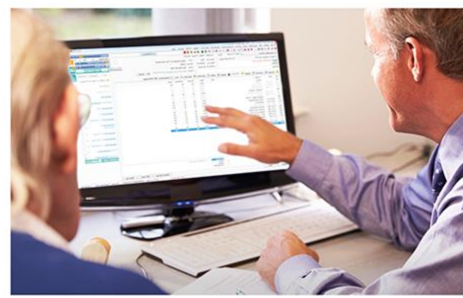
STRATEGIC REVIEW INITIATIVES	ACHIEVEMENTS TO-DATE
Invest in radiologists and equipment	✓ Appointment of GM, Imaging ✓ Extended Bridge Road – exceeding expectations ✓ Opened Varsity Lakes
Optimise performance across network	✓ Site-by-site assessment ✓ Restructured JVs ✓ Major hospital pipeline in Eastern States and ACT



MEDICAL DIRECTOR



MEDICAL DIRECTOR

STRATEGIC REVIEW INITIATIVES	ACHIEVEMENTS TO-DATE
Continue to leverage and grow market position	✓ Invested in next generation products ✓ Awarded Victorian health contract
Evaluate strategic partners to provide expertise	✓ Commenced process to find strategic partner

CAPITAL MANAGEMENT

STRATEGIC REVIEW INITIATIVES	ACHIEVEMENTS TO-DATE
Capital management	✓ Capital planning disciplines ✓ ROIC is key KPI
Capital recycling	✓ VEI sale – $38 million ✓ Barangaroo sale – $40 million
Property Trust	✓ REIT development advanced
HCP acquisitions	✓ Flexible, capital-light recruitment packages
ATO refund	✓ Refund received and ATO reviewing FY03-FY07 claim

STAKEHOLDER ENGAGEMENT

PRIMARY HEALTH CARE LIMITED

GOVERNMENT REVIEWS

WE SUPPORT

- Modernisation of the healthcare system
- Submissions to the reviews
- Participation in the MBS review panels

WE DO NOT SUPPORT

- Alarmist agenda around waste
- Denigration of GPs
- Freeze on the Medicare levy

THE FACTS

- Frontline care is the best and cheapest care available
- Large-scale multi-disciplinary centres are efficient and cost effective

TRADING UPDATE

- Subdued revenue environment and margin compression to-date

- Underlying EBITDA and underlying NPAT 5% below FY 2015
- Statutory NPAT broadly in line with underlying NPAT
- Subject to trading conditions in the remainder of the year

- Progress on strategic review
- Drive growth as partner of choice for HCPs
- Focus on ROIC, free cash flow, and flexible cost base

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