20 August 2026

medibank

2026 full year results

Trusted by 6 million people with their health and wellbeing

CEO commentary

“We continued to deliver value for the 6 million people who trust us with their health and wellbeing, as household budgets remain under pressure.

"Despite this, people continue to prioritise their health.

"Today's result reflects the strength of the business, the trust our customers and patients have in us, and the progress we have made towards our 2030 ambitions.

“It’s good to see strong growth across the business, with improved momentum in the Medibank brand, ahm continuing to grow above the market, and Medibank Health delivering another record result.

“Again we have demonstrated our disciplined approach to managing the Group. We also delivered a further $10 million in productivity savings, bringing the total to $132.4 million in under a decade. Our claims payout ratio also remains above the industry average.

“Importantly, we delivered almost $300 million in value to customers, through our Members’ Choice and no gap networks, and Live Better rewards.

“Since launch, Live Better has delivered around $135 million in value and is a reason one in three people choose Medibank. Highly engaged Live Better members are more active and report healthier behaviours.

“Our growth in health continues to set us apart.

“More than half of our health insurance customers are now engaging with our health and wellbeing offerings.

“Amplar Health has supported 5.3 million patient interactions, including 4.1 million GP consults.

“We’re also making care easier to access, with the Amplar Health online doctor service now available to anyone in the community.

“Following the government's bulk billing reforms, the number of GP clinics in our network that charge no out-of-pocket fees increased by 56%, improving access and affordability for patients.

“We continue to expand care outside hospital, with our community-based services saving 194,000 hospital bed days.

“This frees up hospital beds for those that need them most and reduces pressure on the public system, which is dealing with elective surgery waiting lists significantly higher than they were a decade ago.

“The pressure on households is clear. One in four people in Australia say they have delayed or avoided seeing a GP because of cost.

“Affordability isn’t tomorrow’s challenge. It’s today’s.

Customers

$6.9b
total claims paid

c. $299m
customer value

c. $250.5m savings through Members’ Choice and no gap networks

$48.6m rewards claimed through Live Better

+22.1k +1.1%
net resident policyholder growth

-8.2k -2.3%
net non-resident policy unit growth

21.9 **customer satisfaction**
average Group blended journey NPS

Health

57%
Medibank resident policyholders engaged with our health and wellbeing offerings

1m+
Live Better rewards members

5.3m
Amplar Health patient interactions

169
GP and medical clinics

Financial

$636.8m +2.9%
underlying net profit after tax

23.1c +2.9%
underlying EPS

19.2 cps +6.7%
ordinary dividend
fully franked

Investor briefing

The investor briefing will be held today at 9.30am AEST. The investor presentation and webcast will be accessible on Medibank’s investor centre.

A video featuring CEO David Koczkar is available on our newsroom.

"The system is under more strain. That's why we need to shift from funding illness to funding health, and why accelerating the health transition has never been more important.

"We continued to support private hospitals, with a further $40 million to drive the health transition.

"Reform isn't about achieving perfection. It's about acting with greater urgency. People cannot afford another decade of waiting.

"We're also accelerating our investments in technology and AI to improve the way we work, support our people and deliver better customer experiences, while keeping clinical quality, safety and human care at the centre.

"As Medibank marks 50 years of supporting the health and wellbeing of people in Australia, what I'm most proud of is the trust generations of people have placed in us.

"We take this responsibility seriously and as we grow as a health company we will continue to advocate for and invest in the changes needed to keep Australia's health system one of the best in the world."

David Koczkar
Chief Executive Officer

Dividend

The Board has determined a fully franked final ordinary dividend of 10.9 cps.

The total FY26 fully franked ordinary dividend will be 19.2 cps, up 6.7% on FY25.

This dividend represents a 83.0% payout ratio of underlying NPAT, normalising for investment market returns. This is within our annual target payout range of 75%-85% of underlying NPAT.

Dividend dates

Ex-dividend Date	2	Wednesday **September 2026**
Record Date	3	Thursday **September 2026**
Payment Date	8	Thursday **October 2026**

Performance in detail

Group

$813.5m +6.7%
Group operating profit

$178.9m -13.9%
net investment income

$638.7m +27.5%
NPAT attributable to Medibank shareholders

Group operating profit up 6.7%, with solid growth in resident Health Insurance, continued strong momentum in Medibank Health and well controlled corporate costs.

Net investment income down $28.9m, including a $7m reduction in both the growth and defensive portfolios.

Non-recurring cybercrime costs of $34.9m include IT security uplift and legal and other costs associated with regulatory investigations and litigation relating to the 2022 cybercrime event.

With the IT security uplift program now largely embedded, costs in 2027 are expected to be less than $20m, primarily related to ongoing regulatory investigations and litigation, excluding the impacts of any potential findings or outcomes from regulatory investigations or litigation.

Underlying NPAT, which adjusts for any movement in the COVID-19 equity reserve (finalised in FY25) and the normalisation of investment returns, up 2.9% to $636.8m.

Health Insurance

+8.6k +0.6%
net resident policyholders (Medibank)

+13.5k +2.4%
net resident policyholders (ahm)

346.2k -2.3%
non-resident policy units

Resident customer growth

Industry growth supported by non-discretionary nature of healthcare, with continued strong growth in the number of 25-30 year old customers.

Cost-of-living pressures have impacted the industry, with policyholder growth skewed to lower product tiers, higher switching and aggregators increasing their share of joins. The competitive environment intensified in 4th quarter with some competitors pursuing aggressive growth tactics alongside increased aggregator marketing.

Total net resident policyholder growth up 1.1% (+22.1k). Growth in Medibank doubled to 0.6%, and ahm grew 2.4% despite lower aggregator joins.

Acquisition rate up 10 bps to 11.6% with the Medibank brand up 60 bps to 9.9%, and ahm down 130 bps to 17.3% with direct sales partially offsetting lower aggregator activity.

Lapse rate up 40 bps to 10.5%, which we expect will be better than industry. Medibank lapse was up 40 bps to 9.3% and ahm was up 60 bps to 15.0%.

Non-resident customer growth

Policy units down 2.3% with lower student growth reflecting tighter migration settings and natural run-off of large cohorts acquired following borders reopening. This was partially offset by strong growth in workers.

$8,267.9m +4.5%
resident premium revenue

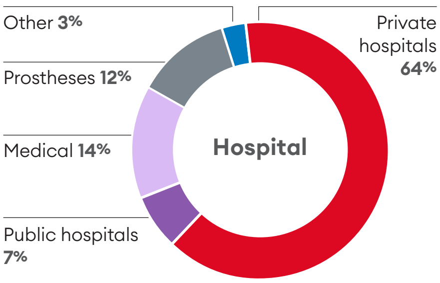
$6,918.2m +4.4%
net resident claims expense
(including 20 bps benefit from risk equalisation)

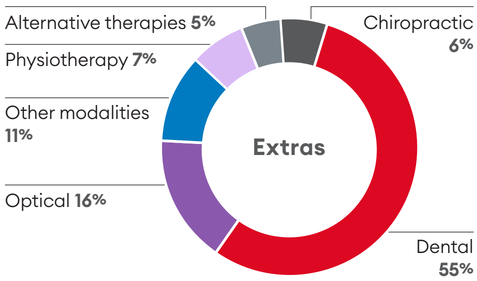
2.6% +40 bps
resident claims growth
per policy unit

Resident hospital claims growth per policy unit down 110 bps to 2.1%, reflecting higher private hospital indexation offset by reduced additional investment in product benefits and lower public and medical indexation. Hospital utilisation growth remained negative, reflecting prior-period COVID-19 impacts and policyholder growth skewed to lower-tier products.

Resident extras claims growth per policy unit up 400 bps to 3.4%, with utilisation increasing following COVID-19 and economic impacts in FY25.

Indicative composition of resident customer claims





$1,460.0m +4.6%
gross profit

17.0% no change
gross margin

9.0% no change
operating margin

Resident gross margin up 10 bps to 16.3%. This reflects policyholder growth skewed to lower tier products with largely offsetting impacts to revenue and claims.

Non-resident gross margin down 210 bps to 34.8%, largely due to tenure and mix impacts in the student portfolio.

Operating profit up 3.8% to $769.8m and operating margin stable at 9.0%.

$690.2m +5.4%
expenses

8.0% no change
expense ratio

Operating expenses up 7.1%, reflecting cost inflation of around 4.0%, volume-related increases and investment in foundations, as well as additional marketing. We delivered approximately $10m of productivity savings.

Medibank Health

$327.2m +26.5%
gross profit

$100.7m +31.3%
segment profit

Revenue up 30.8% to $634.8m, with strong customer and patient growth reflecting a 12-month contribution from 100% ownership of Amplar Health Home Hospital and 6-month contribution from Better Medical.

Gross margin down 180 bps to 51.5%, reflecting additional investment in Live Better rewards program and business mix impacts, partially offset by efficiency benefits.

Operating profit up 27.4% to $107.3m with strong organic growth across all segments.

Investment income

$178.9m -13.9%
net investment income

Growth portfolio income down $7.0m with lower income from Australian and international equities partially offset by improved performance in property and infrastructure.

Defensive portfolio income down $7.0m includes $7.5m decrease in interest income from lower average RBA cash rate, $2.7m cost from widening credit spreads, and benefit from higher average balance.

Net other investment income and expenses down $14.9m with $12.5m impact of lower cash holdings following payment of the final COVID-19 customer give back and Better Medical acquisition. Interest income down by $1.4m due to lower average RBA cash rate.

Capital

$1,197.4m
Health Insurance required capital
(at 30 June 2026)

Our business continues to be well capitalised.

Fund prescribed capital amount (PCA) coverage ratio increased to 1.9x[1].

Health Insurance required capital ratio of 13.3%, above 10%-12% target range due to additional capital held to offset $250m temporary APRA supervisory adjustment.

Medibank Health capital employed up $147.8m to $559.8m includes $163.5m cost of Better Medical acquisition, partly offset by lower required capital.

Unallocated capital down $69.0m to $182.9m due to Better Medical acquisition, partially offset by strong capital generation.

FY27 outlook

Resident policyholder growth	Aim to grow market share in a disciplined way, including improved volume momentum in the Medibank brand
Resident PHI gross margin	Expect FY27 resident PHI gross margin to be broadly consistent[2] with FY26
Non-resident PHI gross profit	Expect non-resident PHI to deliver solid gross profit growth in FY27
Medibank Health segment profit	Expect segment profit growth of c. 25% in FY27, including a full year contribution from Better Medical
M&A	Strong asset pipeline remains with appetite and financial capacity to pursue further opportunities consistent with our growth strategy and adding shareholder value

1. Calculated as Required Health Insurance capital less APRA supervisory adjustment, divided by Fund PCA less APRA adjustment.
2. Subject to the outcome of the 1 April 2027 premium increase.

Summary of financial results

Year ended 30 June ($m)	2025	2026	Change
Group revenue from external customers	**8,604.0**	**9,115.2**	**5.9%**
Health Insurance operating profit[1]	741.5	769.8	3.8%
Medibank Health segment profit	76.7	100.7	31.3%
Segment operating profit	**818.2**	**870.5**	**6.4%**
Corporate overheads	(55.8)	(57.0)	2.2%
Group operating profit	**762.4**	**813.5**	**6.7%**
Net investment income	207.8	178.9	(13.9%)
Other income/(expenses)	(18.9)	(29.6)	56.6%
Cybercrime costs	(39.7)	(34.9)	(12.1%)
Profit before tax, before movement in COVID-19 reserve	**911.6**	**927.9**	**1.8%**
Movement in COVID-19 reserve (excl. tax)	(182.8)	-	n.m.
Profit before tax	**728.8**	**927.9**	**27.3%**
Income tax expense	(219.5)	(281.6)	28.3%
Non-controlling interests	(8.5)	(7.6)	(10.6%)
NPAT attributable to Medibank shareholders	**500.8**	**638.7**	**27.5%**
Effective tax rate	30.1%	30.3%	20 bps
EPS (cents)	18.2	23.2	27.5%
Normalisation for investment returns	(10.1)	(1.9)	(81.2%)
Normalisation for COVID-19 reserve movements	128.0	-	n.m.
Underlying NPAT[2]	**618.7**	**636.8**	**2.9%**
Underlying EPS (cents)[2]	22.5	23.1	2.9%
Dividend per share (cents)	**18.0**	**19.2**	**6.7%**
Dividend payout ratio[3]	80.1%	83.0%	290 bps

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.

Further enquiries

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