Chairman's report

The devastation of COVID-19 made FY20 as extraordinary as any I've ever encountered in my executive and non-executive director corporate career. While secondary to the tragedy of widespread death and suffering, the pandemic has devastated consumer confidence and destroyed or put at risk, so many businesses.

As you would expect, the Board is acutely aware of the challenges COVID-19 presents the nib Group and very focused upon supporting our members, travellers, employees and business sustainability. The commercial challenges are many and include maintaining growth in difficult market conditions, forecasting and managing claims experience in unpredictable circumstances as well as ensuring the nib Group remains well capitalised and ready to meet a range of possible future scenarios.

Despite the disruption of COVID-19, FY20 was another year of good progress in fulfilling our purpose of "Your Better Health".

We funded over 350,000 hospital admissions and almost 3.6 million dental, optical and other ancillary visits. We took a giant stride in our ambitions to make our value proposition for members and travellers as much about healthcare "prevention" as it is "cure" with the creation of Honeysuckle Health. In partnership with global healthcare company Cigna, Honeysuckle Health will deliver data science led insight and guidance for a more personalised approach to disease prevention, management and treatment.

Complementing nib's direct efforts, our nib foundation contributed $2.1 million towards various initiatives consistent with its charter of supporting the health and wellbeing of the communities we serve. This included $1 million to help fund programs over the next four years specifically focussed on 'closing the gap' in health outcomes for Aboriginal and Torres Strait Islander peoples. We very much see community health and wellbeing as the centre piece of our sustainability agenda.

Our commercial results for FY20 were somewhat "mixed" with COVID-19 a key factor.

Pleasingly, Group revenue grew 3.4% to $2.5 billion with our flagship Australian Residents Health Insurance (arhi) business increasing policyholders by 1.9% to now cover almost 1.2 million people, in an overall market that grew just 0.4%. Similarly, New Zealand performed well growing its revenue by 11.4% and policyholders 7.4% to cover more than 225,000 people.

Unfortunately, restrictions on foreign entry into Australia severely impacted our international students and workers (iihi) business while the global impacts of COVID-19 caused significant disruption to our nib Travel operations.

We experienced a decline in operating margins compared to the previous financial year across all segments although, other than for travel they remain solid and generated a return on invested capital of 11.2% for the Group.

Our Managing Director expands upon the FY20 results further on. It is worth me observing here, that while acknowledging macroeconomic stress, the Board has every confidence in the Group strategy, outlook and underlying commercial performance. The reduction in statutory earnings per share (EPS) to 19.8 cents per share (down 40.0%) wasn't welcomed and there are clearly hurdles across the Group, most notably nib Travel which is operating in a very difficult market. Yet FY20 was a year of multiple COVID-19 related distortions and not an accurate reflection of underlying performance of the nib Group.

We especially believe the company has so far navigated the difficulties of COVID-19 well. We've taken a wide range of initiatives to protect and support our members, travellers, employees and general community. I encourage shareholders to read our 2020 Sustainability Report available at nib.com.au/shareholders.

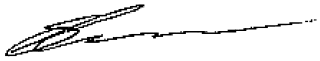
While in no way celebrating the misery of COVID-19, we also see opportunity. The pandemic has clearly heightened throughout the community the risk of disease and the need for protection. It has accelerated our plans to better predict disease risk amongst our members and prevent or better manage those risks. It is causing us to move even faster with investment in digital health and how we service members and travellers.

We have decided to make a final dividend of 4.0 cents per share, fully franked bringing the full year dividend to 14.0 cents per share, representing 71% of net profit after tax. In making the final distribution we have been cognisant of the need to balance and return to our shareholders with regulatory guidance and maintaining a strong capital position in a COVID-19 context.

As shareholders expect, succession planning and ensuring we have the right skills mix, diversity and experience on our Board and in our senior management ranks remains a priority for the Board. As part of nib's succession planning, Non-Executive Director, Christine McLoughlin announced she will retire from the Board in September this year.

Christine is one of Australia's most respected and astute company Directors, and nib has been fortunate to have her serve on our Board for almost 10 years. She has made a wonderful contribution to nib's growth and success during this time especially as Chair Risk and Reputation Committee. I would like to thank her for her passion, insights and leadership at nib over almost a decade. In parallel, we welcome David Gordon who joined the Board in May 2020.

I would like to thank my Board colleagues for their leadership and contribution during FY20. And of course, I want to thank our Executive management team and all of our people for what the Board believes was exemplary performance in extremely difficult conditions.



Steve Crane

Managing Director's report

There's not a lot I can add to Steve's account of COVID-19 and its implications across the nib Group in FY20. Suffice to note here, the crisis has required extraordinary agility and adaptation. Within weeks we had our entire workforce operating remotely, deferred Government approved premium increases and expanded health insurance coverage at no additional cost to members for COVID-19 related treatment. We also made significant investments in community health and wellbeing such as the supply of surgical masks to frontline healthcare workers and a $500,000 donation to Lifeline (to mention just a few).

So far our total COVID-19 support package is valued at more than $45 million. And of course, there was no respite from the demands of "business as usual" and us meeting the everyday needs and expectations of our members and travellers.

Our full year underlying operating profit (UOP) of $150.1 million was on the surface disappointing. Very importantly, it includes a provision for deferred claims of $98.8 million representing 80% of what we best estimate were COVID-19 related "savings" during the financial year. Without the provision, UOP would have been $248.9 million which is closer to our cash result for the year (net operating cash inflow was $211.6 million).

This provisioning is a sensible step as it is certain there will be a "catch up" in treatment deferred during the peak of COVID-19 in FY20. However, only time will tell the accuracy of the provision, and at the time of writing, the threat of COVID-19 and its impact on treatment levels has by no means passed.

As Steve mentions, COVID-19 factors have blurred what were otherwise some good results across the Group. Worth highlighting here:

- Group premium revenue grew to $2.5 billion up 3.4% on FY19. It was just $901.4 million in FY10.
- arhi premium revenue grew by almost 3% to over $2.1 billion, notwithstanding the six month postponement of the 1 April 2020 premium increase which reduced revenue by approximately $15 million for FY20. And even after the provisioning for deferred claims, arhi's net profit margin was still a respectable 6.4% consistent with our target.

  Importantly, we saw some impressive growth in the final quarter which helped contribute to net growth of 1.9% for the full year – about 41% of total industry growth for FY20.
- iihi premium revenue grew to $123.1 million, an increase of 11.8% on FY19 and although UOP of $22.2 million was down 36.4% it still constituted a strong net profit margin of 17.1%.

  The COVID-19 downturn meant this business did not contribute as much as we expected to Group earnings in FY20. Nevertheless, we are very confident our international students and workers businesses will bounce back once the pandemic is behind us or we've better adapted to live with it. It will remain an important source of business and earnings diversification.
- NZ premium revenue grew 11.4% to $240.1 million and UOP 18.2% to $23.4 million with a strong 9.8% net profit margin. We are New Zealand's second largest health insurer and increased consumer awareness of the value of private health insurance was experienced due to the pandemic appears to be mirroring the same experience in Australia.

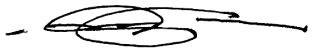
Statutory EPS of 19.8 cps compared unfavorably with 32.9 cps in FY19 due to a combination of lower profit margins and investment income which fell to $16.6 million versus $36.1 million in FY19.

It's extremely hard to forecast what improvement we might reasonably expect in FY21 and beyond given the ongoing COVID-19 volatility and, on this basis, we continue to suspend earnings guidance.

Nevertheless, we have every confidence in the private health sector and see a future in which nib will play an expanded role in healthcare. The new joint venture we have forged with Cigna, Honeysuckle Health, is a critical piece in this strategy. As Steve mentions, members and travellers can look forward to a future in which we are as much about protecting the health of our members and travellers as we are supporting their treatment. And it's all based upon individual needs informed by artificial intelligence and data science.

Across the Group we have a genuine belief and philosophy that what's good for the communities in which we operate is also good for nib. It explains the efforts and investment we're making around sustainability or as often described ESG (Environmental, Social and Governance). There are five principles underpinning our sustainability efforts, which our set out in our 2020 Sustainability Report. All are important, yet as a healthcare business we especially view population health as the greatest opportunity for nib to a make a difference. Already in New Zealand we are actively supporting a Māori iwi, Ngāti Whātua Ōrākei with some great results and we're looking to emulate that initiative in other geographies.

My thanks to our Board of Directors, Executive management team and all employees for their efforts and contribution to the nib Group in what have been extraordinary circumstances.



Mark Fitzgibbon

nib Group

$2.5b
total Group revenue
up 3.4%

$150.1m
Group UOP
down 25.6%

$16.6m
net investment income
down 54.0%

$89.2m
NPAT
down 40.3%

19.8cps
statutory EPS
down 40.0%

14.0cps
full year dividend

nib Group (nib) achieved a sound operating result in financial year 2020 (FY20), notwithstanding the significant economic and global health impact of COVID-19. While the pandemic has created disruption and challenges for many industries and organisations, nib's business strategy, member-first focus and operational capability has us in good shape to continue to deliver ongoing value for shareholders.

As both our Chairman and Managing Director have highlighted in their reviews of the latest year, nib's focus has been supporting our members, travellers, employees and the community through this challenging period. From financial hardship support and postponement of premium increases for our health insurance members, to donating together with nib foundation, $1.5 million to community and clinical initiatives, our response to the pandemic has been driven by our guiding principle of "your better health". Already our COVID-19 member and community support package across the Group is more than $45 million.

nib's 2020 Sustainability Report provides further details of our COVID-19 response to meet the ongoing health and financial support needs of key stakeholders across the Group.

In terms of financial performance, FY20 net profit after tax (NPAT) was $89.2 million (down 40.3%), with the result impacted by a decline in Group underlying operating profit (UOP) of 25.6% to $150.1 million and investment income down 54.0% to $16.6 million.

Group UOP includes a provision set aside for an expected claims catch-up as members access the healthcare treatment that was disrupted due to COVID-19. This is in recognition of the fact that the need for these treatments has not disappeared with most simply postponed. We expect members over the course of FY21 will catch-up this treatment with a provision of $98.8 million across the Group provided to meet this return of claims activity.

The Board declared a full year dividend of 14.0 cents per share fully franked (FY19: 23.0 cents per share), representing a payout ratio of 71% of FY20 NPAT. The full year dividend comprises an interim dividend of 10.0 cents per share and a final dividend of 4.0 cents per share.

The final dividend will be paid to shareholders on 6 October 2020 with nib's Dividend Reinvestment Plan (DRP) available to eligible shareholders.

Australian residents health insurance | arhi

$2.1b
premium revenue
up 2.9%

$133.6m
UOP
down 10.6%

35.3
net promoter score

Our core earnings driver arhi again led the way, accounting for 89.0% of Group UOP. While arhi's UOP of $133.6 million was down 10.6% on FY19, the result includes a $90.4 million COVID-19 claims provision.

In the face of challenging market conditions arhi grew premium revenue to $2.1 billion. This was an increase of 2.9% and delivered a net profit margin of 6.4%. arhi's premium revenue growth was impacted by our postponement of the 1 April 2020 price increase for six months to provide financial relief to members during the pandemic. Premium revenue growth would have otherwise been 3.7%.

We continue to realise the benefits of our diversified and multi-channel distribution strategy, with net policyholder growth of 1.9% compared to 0.4% for the industry. Overall arhi accounted for 41.5% of total private health insurance industry growth during FY20.

As the health insurer of choice for almost 1.2 million Australians, we've been swift and deliberate in our response to support our members who during the year have endured drought, bushfires and more recently the financial and health uncertainty of COVID-19.

In addition to financial hardship assistance, we've also provided broader coverage for COVID-19 related treatment and further psychology benefits at no additional cost to our members. Due to the impact of social distancing and lockdown measures on many health services, we've offered new benefits for telehealth consultations across a range of health services and introduced free antenatal and early parenting online classes, helping our members to continue accessing the care they need.

And recognising the efforts of our frontline healthcare workers to prepare our health system during the pandemic, we provided eligible members a $250 rebate to support their health and wellbeing in a way that best suits them.

An ongoing focus on operational efficiencies to not only reduce management expenses (down 5.5%) but also enhance the member experience has continued to deliver mutual benefit during the year. Improving the speed and turnaround times of processing and paying claims through automation initiatives has been one area of attention.

In most cases, of the 4.8 million claims submitted by members for payment in FY20, 78% were processed and ready for payment within 24 hours of receiving a completed claim. Our focus on delivering against member expectations and digital first approach saw our Net Promoter Score[1] climb from 32.5 (FY19) to 35.3 (FY20).

1. Excludes GU Health.

International inbound health insurance | iihi

$123.1m
premium revenue
up 11.8%

$22.2m
UOP
down 36.4%

47.1/43.2
NPS – international workers / students

Our iihi business produced a sound operating performance despite the headwinds faced as a result of COVID-19 related international travel restrictions.

iihi's track-record of strong top line growth continued with premium revenue up 11.8% to $123.1 million. Net policyholder growth was 6.3% despite slowing student and worker arrivals due to the pandemic, with the business surpassing 200,000 persons covered.

Consistent with the first half 2020 result, claims expense growth for the full year of almost 46% reflects a combination of policyholder growth as well as an increase in members accessing medical services. This margin and earnings compression mirrors a conscious effort to enhance member value, with the business still delivering a healthy net margin of 17.1% (FY19: 31.1%), in line with expectations with UOP of $22.2 million down 36.4%.

Recognising that our international members are facing unique challenges due to the pandemic and living away from home, we've introduced a range of support measures including premium relief, coverage for telehealth services, free health and hygiene packages as well as partnering with OzHarvest to provide 54,000 meals for students struggling to make ends meet.

Despite an uncertain outlook in terms of Australia's future international student and worker intake, the iihi business remains well positioned to navigate current market conditions and capitalise on growth opportunities when they emerge.

nib New Zealand

$240.1m
premium revenue
up 11.4%

$23.4m
UOP
up 18.2%

32.9
net promoter score

nib New Zealand delivered a positive operating performance with the business improving revenue and earnings. UOP increased 18.2% to $23.4 million, and includes an $8.4 million COVID-19 deferred claims provision.

Our organic growth strategy continued to yield results with net policyholder growth of 7.4%, with success in growing our corporate group and whitelabel channel, which includes leading brand, the New Zealand Automobile Association.

Supporting our Kiwi members and communities to stay safe and healthy throughout the COVID-19 pandemic has been a priority. In addition to financial hardship measures and expanded coverage for COVID-19 related treatment, we extended cover for GP and specialist consultations through telehealth consultations, assisting members to continue accessing healthcare during the severe lockdown restrictions. We also extended treatment pre-approval from three to six months, meaning our members did not need to reapply for surgery approval if they experienced delays in accessing hospital treatment.

Our population health initiative with Māori iwi, Ngāti Whātua Ōrākei, continues to focus on improving population health and wellness as well as helping members access healthcare. The partnership aims to tackle barriers that Māori experience in the public system such as cost, choice, waiting times and accessibility. During the year the program surpassed more than 3,900 lives covered, with COVID-19 Alert Level 4 restrictions limiting the rollout of onsite health management programs.

nib Travel

$129.4m
GWP
down 15.3%

$(19.7)m
UOP
down 398.5%

64.2
Sales NPS

Our travel insurance business, nib Travel, was significantly impacted by COVID-19 with the global and domestic leisure travel one of the hardest hit sectors.

As a result the business made a UOP loss of $19.7 million for the year.

In response, a number of cost saving initiatives have been implemented including scaling back our workforce. The focus for FY21 remains on reducing operational expenses with a heavy emphasis on right-sizing the cost base and improving operating efficiency in preparation for any return to travel.

Principal risks and uncertainties

nib has established policies for the oversight and management of material business risks. Further information regarding how nib recognises and manages risk is detailed in Principle 7 of our Corporate Governance Statement. The Corporate Governance Statement is available on our website at nib.com.au

As for most corporations, the dynamic nature of the COVID-19 pandemic during the final months of the financial year has proven to be a true test of resilience for nib. In terms of the Principle Risks, COVID-19 has thrown up many new scenarios for us to assess, design new responses to and then execute upon – all in real time. Impacts of the pandemic have been apparent across all the different risk types: insurance, financial, strategic and operational.

So far, nib has been able to leverage from our solid foundations for managing risk in order to facilitate efficacious outcomes. The maintenance of sound business continuity plans (BCPs) and pandemic plans during this period is one example, whereby nib has continued to operate effectively during a period of significant stress, based on previous investment into robust control frameworks. Our BCPs have enabled us to rapidly redeploy people, assets and resources in order to maintain service levels for our Members and Travellers. Having strong fundamentals has allowed us to quickly refocus on strategic risks and opportunities. We have subsequently shown agility in providing increased value to our Members via initiatives such as: postponement of premium increases, cover for telehealth services, 24/7 health assistance and financial hardship support.

Whilst there is positivity ahead as the health impacts of the pandemic abate, nib will continue to monitor and manage our Principal Risks closely within what is likely to be a challenging macro-economic environment.

Further to the Sustainability risks and approaches detailed on our website at nib.com.au/shareholders, principal risks and uncertainties for nib include:

Insurance risks	
Claims inflation and affordability	nib is subject to significant claims inflation which may not be adequately covered by premium price increases and/or product design changes. Key sources of claims inflation risk include the renewal of key provider contracts on acceptable terms, service utilisation rates, services related to complex and members with high cost needs (usually with chronic diseases), claims leakage, provider and member fraud, public hospital claiming, as well as general provider behaviour, which results in a weakening of nib's gross margin and overall profitability. Additionally, members are increasingly facing household affordability pressures. If growth of premiums over time were to be uncontrolled, it could result in a reduced value proposition leading to significant numbers of policy holders reducing their cover. During the COVID-19 pandemic, nib has rapidly deployed a series of initiatives to help improve the value proposition and to partially allay affordability challenges being faced by Members.
Pricing risk	Australian health insurance premium increases for existing products are required to be approved by the Minister for Health. Historically, nib and other health funds have only raised premiums once a year. There is a risk that nib's application for a change in its premium rates may only receive approval at a level lower than originally requested, or may be rejected by the Minister. Such an amendment or rejection may have a negative impact on nib's operating and financial performance. Furthermore, there are operational risks associated with pricing and forecasting involving process, people and system. Control failures could negatively impact pricing decisions, financial performance and regulations such ASX Continuous Disclosure obligations. COVID-19 has created additional challenges for our pricing processes in Australia and New Zealand. Our annual pricing increase was postponed until October. Pricing risks relating to economic conditions and government policy continue to be closely monitored.
Government policies and regulations	A number of regulatory policy settings and incentives notably impact the Australian private health insurance market. Examples include Federal or State Governments taxes and duties, risk equalisation arrangements supporting the community rating principle, PHI Rebates and Life Time Health Cover Loading. Unanticipated modifications to regulations in the future may result in an adverse financial impact on nib and the structure of the wider private health insurance industry.
Financial risks	
Investment and capital management	A substantial proportion of nib's profits are generated from its investment portfolio. Consequently, investment performance significantly affects nib's profits and financial position. Effective management of investments and capital is required in order to meet Return On Investment (ROI) objectives, nib's prudential requirements and in order to satisfy stakeholder expectations.
General economic conditions	nib's performance is impacted by the broader Australian economic conditions such as inflation, interest rates, exchange rates, credit markets, consumer and business spending and employment rates which are outside nib's control. The environment in which nib operates may experience challenging conditions as a result of general uncertainty about future Australian and international economic conditions. The assumption is that nib continue to operate in challenging conditions for the near term based on pandemic-related economic contraction in Australia and global markets.

Principal risks and uncertainties continued

Strategic risks	
Performance of adjacent (non-Australian Residents Health Insurance) businesses	In recent years, in addition to focusing on its Australian regulated health insurance business, nib has diversified its business and identified adjacent earnings opportunities, such as International (Inbound) Health Insurance, New Zealand, nib Travel and Grand United Corporate Health. These adjacent businesses now make a meaningful contribution to nib's operating result and as a result the performance of these businesses could affect nib's profits. The industry-specific impacts of COVID-19 on nib's travel and inbound international health insurance are an example of this risk in practice.
Merger or acquisition opportunities	nib has a business strategy of pursuing merger and acquisition opportunities. The pursuit of merger and acquisition opportunities carries with it risks and there is no guarantee that such a strategy will be successful.
Operational risks	
Business continuity	There is uncertainty surrounding events that have the potential to prevent nib from continuing to operate its businesses and in the effectiveness of the processes nib has established to manage those events. Impacts of events such as natural disasters or a major failure or inadequacy in information technology systems, may have an adverse effect on nib's earnings, assets and reputation. The COVID-19 pandemic is an example of a significant business continuity event that has required nib to activate its mitigation strategies to ensure effective continuity of service.
Cyber Security	The health insurance industry relies increasingly on technology to conduct an efficient and cost effective business. nib's approach is also increasingly reliant on the personalisation of our relationship with members using digital and data strategies. nib faces the risk, in common with other participants, that a cyber-attack or major security incident could result in adverse impacts to members, disruption to nib's business continuity, non-compliance with regulations and data standards and negative reputational effects.
Regulatory compliance and legal risks	nib is subject to a high degree of regulation concerning how private health insurers conduct their health insurance business. If nib does not comply with its regulatory requirements, it may suffer results including financial penalties, cancellation of authorisations and / or negative reputational impacts. In terms of legal risk, nib could be involved in civil proceedings in courts of various jurisdictions. nib may also be exposed to litigation in the future over claims which may affect its business. To the extent that these risks are not covered by nib's insurance policies, litigation or the costs of responding to these legal actions could have a material adverse impact on nib's financial position, earnings and share price.
Worker Health & Safety	nib is responsible for managing the physical and mental health and safety of employees and the broader range of individuals that visit our premises or undertake work on our behalf. Given the nature of our business and our physical work environment, the likelihood of death or serious injury is rare. However if realised, a threat to the physical and mental/psychological health and safety of employees could have a significant impact in terms of reputation, employee morale, financial cost to the company and legal consequences. During COVID-19, nib has responded to the dynamic WHS challenges by launching a series of targeted initiatives including programs for: ergonomic reimbursements, increased Employee Assistance Program (EAP) sessions for employees and their immediate family members, flu vaccinations as well as information and training modules related to mental health.

Five year summary

		2020 $m	2019 $m	2018 $m	2017 $m	2016 $m
Consolidated Income Statement						
Net premium revenue		2,439.6	2,340.8	2,162.6	1,943.1	1,818.7
Net claims incurred		(1,933.4)	(1,811.4)	(1,694.3)	(1,545.8)	(1,481.0)
Gross margin		**506.2**	**529.4**	**468.3**	**397.3**	**337.7**
Other underwriting revenue		**3.5**	**3.6**	**3.0**	**1.0**	**–**
Management expenses		(329.0)	(329.1)	(287.1)	(242.1)	(209.3)
Underwriting result		**180.7**	**203.9**	**184.2**	**156.2**	**128.4**
Other income		60.1	77.2	69.5	60.4	54.4
Other expenses		(86.7)	(78.3)	(68.4)	(62.6)	(50.8)
Share of net profit / (loss) of associates and joint ventures		(4.0)	(1.0)	(0.5)	(0.3)	–
Underlying operating profit		**150.1**	**201.8**	**184.8**	**153.7**	**132.0**
Amortisation of acquired intangibles		(10.4)	(9.2)	(8.4)	(7.6)	(7.8)
Impairment of intangibles		(8.0)	(1.0)	–	–	–
One-off transactions, merger, acquisition and new business implementation costs		(13.6)	(7.0)	(7.4)	4.5	(3.4)
Statutory operating profit		**118.1**	**184.6**	**169.0**	**150.6**	**120.8**
Finance costs		(9.7)	(7.7)	(6.3)	(4.8)	(5.3)
Net investment income		16.6	36.1	29.6	28.6	16.9
Profit before tax		**125.0**	**213.0**	**192.3**	**174.4**	**132.4**
Tax		(35.8)	(63.7)	(58.8)	(54.2)	(40.6)
NPAT		**89.2**	**149.3**	**133.5**	**120.2**	**91.8**
Consolidated Balance Sheet						
Total assets		1,682.5	1,554.1	1,447.5	1,136.1	1,045.6
Equity		606.4	632.2	557.8	427.6	386.1
Debt		232.9	233.9	230.6	153.2	151.9
Share Performance						
Number of shares	m	456.8	455.6	454.8	439.0	439.0
Weighted average number of shares – basic	m	456.1	455.4	450.6	439.0	439.0
Weighted average number of shares – diluted	m	456.1	455.4	450.6	439.0	439.0
Basic earnings per share	cps	19.8	32.9	29.4	27.2	21.2
Diluted earnings per share	cps	19.8	32.9	29.4	27.2	21.2
Underlying earnings per share[1]	cps	24.7	35.4	31.9	27.7	22.9
Share price at year end	$	4.61	7.67	5.73	5.75	4.22
Dividend per share – ordinary	cps	14.00	23.00	20.00	19.00	14.75
Dividend payout ratio – ordinary	%	71.0	70.0	68.5	70.0	70.0
Other financial data						
ROIC	%	11.2	19.1	19.5	22.7	19.0
Group underlying operating revenue	$m	2,503.2	2,421.6	2,235.1	2,004.5	1,873.1
Operating cash flow	$m	211.6	184.5	179.9	171.7	148.4

1. Underlying earnings per share is the Basic earnings per share adjusted for one off transactions