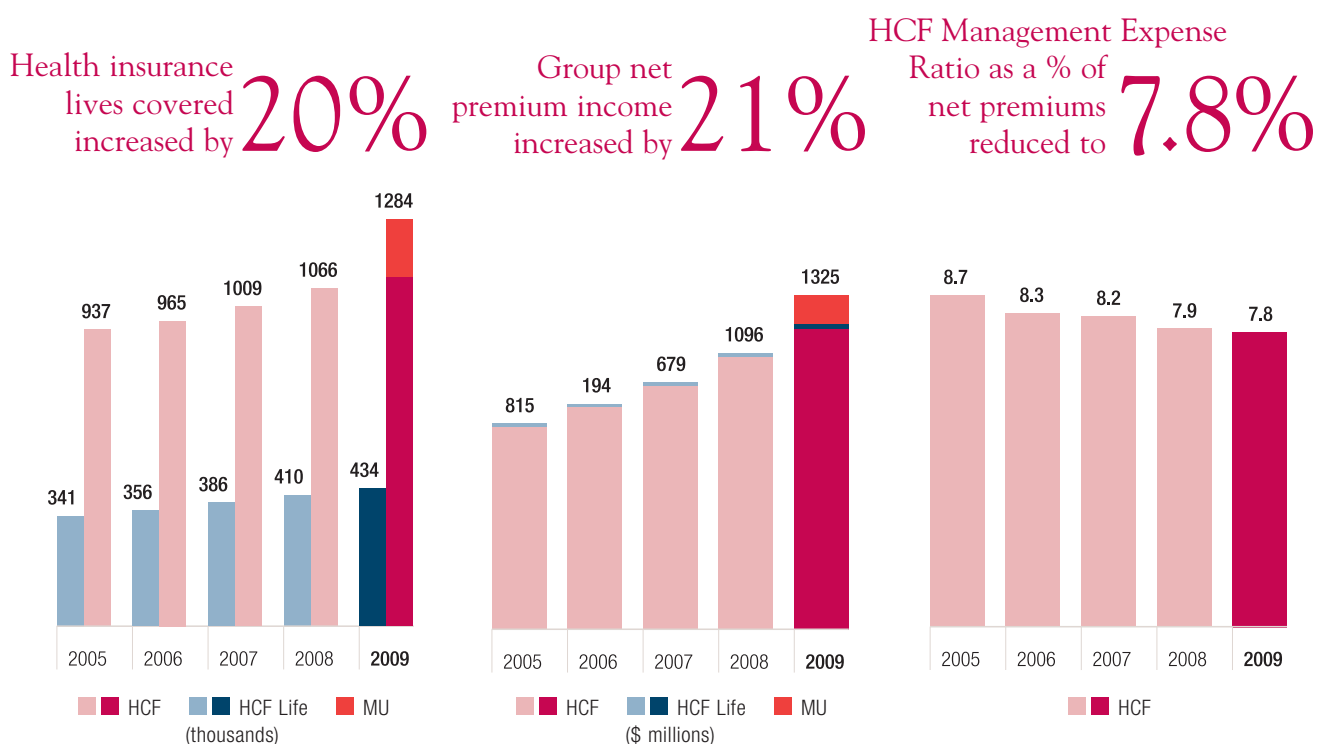


This year's annual report for the Hospitals Contribution Fund of Australia Limited (HCF) Group presents a measurable and balanced review of results compared against strategic targets and 2007/08 in order to provide a meaningful basis for HCF stakeholders to assess our performance. **The Group merged with Manchester Unity** whose results for the half year to 30 June 2009 are included. The HCF Group report for the financial year to 30 June 2009 includes full year integrated results of the total Group and again demonstrates our commitment to **providing 'more for our members'**.

Highlights



- Manchester Unity members approved merger with HCF on 24 December 2008.
- HCF health fund hospital and extras membership rose to 1.1 million an increase of 3.6%.
- Strong underwriting performance in health (\$37.1 million) and life insurance (\$8.8 million) businesses.
- Launched “MyHealth Guardian”, our well being and chronic disease management program. The service is the first of this scale by a private health insurer.
- Net premiums increased by 21% to \$1,325 million, including the 6 month Manchester Unity contribution of \$116 million, resulting from continued membership growth across the HCF Group.