

# Financial information

## Financial Performance

All Figures \$'000	12 months to June 2023	12 months to June 2022
<b>Revenue</b>		
HIB premium revenue	27,467,151	26,590,698
Net investment income	702,370	-292,514
Net HRB revenue	137,854	-84,957
Net other operational revenue	150,883	82,142
<b>Total revenue</b>	<b>28,458,258</b>	<b>26,295,368</b>
<b>Benefits</b>		
Fund benefits	22,371,416	21,854,558
State ambulance levies	275,061	256,760
<b>Total fund benefits</b>	<b>22,646,476</b>	<b>22,111,319</b>
<b>Expenses</b>		
HIB expenses	2,533,237	2,191,672
HIB claims handling	419,611	435,043
Non-operating expenses	69,093	74,085
<b>Total expenses</b>	<b>3,021,941</b>	<b>2,700,800</b>
<b>Profit of the industry</b>		
Profit/(loss) before tax	2,789,841	1,483,249
Taxation expense	602,322	440,499
<b>Profit/(loss) after tax</b>	<b>2,187,519</b>	<b>1,042,750</b>
<b>Margins</b>		
Gross margin	17.6%	16.8%
HIB expenses	10.8%	9.9%
Net margin	6.8%	7.0%

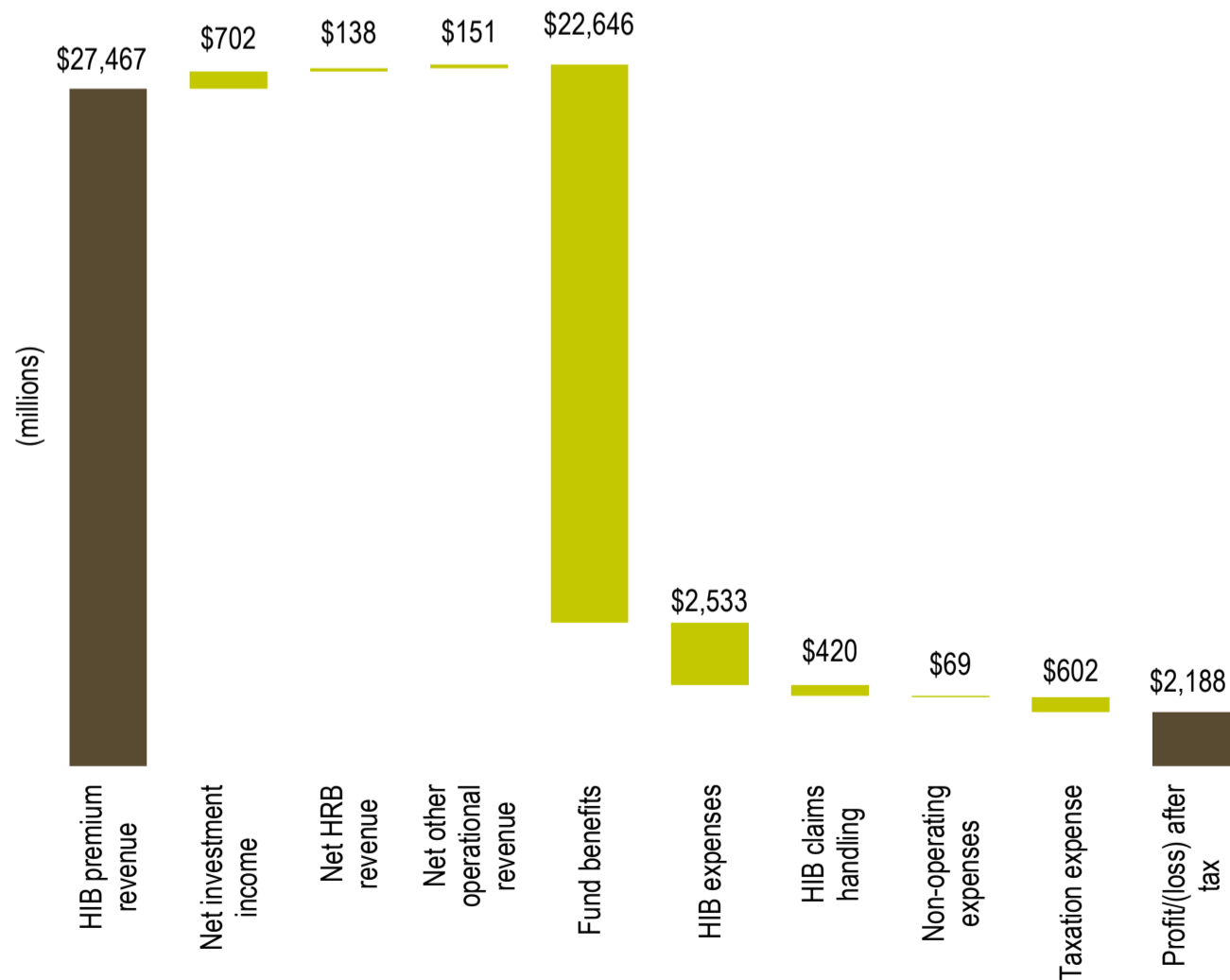
Health Insurance Business (HIB) premium revenue was up 3.3% for the year to June 2023, while total fund benefits increased by 2.4%. Gross margin increased from 16.8% to 17.6%.

Net investment income increase from - \$292.51 million in the year ending June 2022 to \$702.37 million in the year ending June 2023

HIB expenses as a percentage of revenue increased from 9.9% to 10.8% and net margin decrease from 7.0% to 6.8%.

Net profit after tax increased from \$1,042.50 million for the year ending June 2022 to \$2,187.51 million for the year ending June 2023.

Health Benefits Fund Profit After Tax Breakdown for 12 months to June 2023



## Prudential Position

All figures \$'000	June 2023	March 2023	June 2022
<b>Assets</b>			
Cash	1,840,219	2,178,568	1,662,037
Investments			
Equities	2,403,726	2,293,141	2,339,943
Interest bearing assets	11,088,019	11,000,545	10,993,234
Property	828,066	815,045	841,830
Subsidiary and associated entities	242,617	257,777	262,682
Loans	262,945	42,809	210,205
Receivables	52,734	55,161	41,974
Intangibles DAC and FITBS	1,413,193	1,380,728	1,237,551
Pre-paid expenses	129,961	111,514	90,328
Other*	2,073,708	2,137,735	2,126,447
<b>Total assets</b>	<b>20,335,189</b>	<b>20,273,022</b>	<b>19,806,230</b>
<b>Liabilities</b>			
Unearned premium liabilities	3,519,070	3,661,471	3,450,933
Unpresented & outstanding claims	2,882,011	2,715,368	2,453,409
Other fund liabilities	834,994	1,379,324	2,004,841
of which: Other insurance liabilities	700,944	1,235,901	1,871,699
Interest bearing liabilities	5,297	5,805	6,647
Payables, provisions & other liabilities	1,868,606	1,578,015	1,948,669
<b>Total liabilities</b>	<b>9,109,978</b>	<b>9,339,983</b>	<b>9,864,499</b>
<b>Total assets minus total liabilities</b>	<b>11,225,211</b>	<b>10,933,039</b>	<b>9,941,731</b>

The industry held total assets of \$20.33 billion as at 30 June 2023.

Total assets have increased by \$529 million in the last 12 months.

Total liabilities reported by the industry have decreased by \$754.52 million over the year.

Total net assets increased from \$9.94 billion in June 2022 to \$11.22 billion in June 2023.

## Capital Adequacy Requirement

All figures \$'000	June 2023	March 2023	June 2022
Total Liabilities	9,109,978	9,339,983	9,864,499
Liability risk charges	743,202	757,225	1,007,574
Loss risk charges	1,404,523	1,592,702	1,533,885
Operational risk charges	193,105	190,561	185,921
Other capital charges	42,862	32,909	28,827
Less subordinated debt	0	0	0
<b>Total Capital Adequacy Requirement*</b>	<b>11,493,669</b>	<b>11,913,381</b>	<b>12,620,706</b>

\* includes health insurance equipment and other assets

# Does not include Capital Management Policy target levels (refer to glossary)

## Health Benefits Fund Assets vs Liabilities as at June 2023

