



Green Cross Health Limited Announcement - Half Year Results

28 November 2016

Primary healthcare services provider Green Cross Health (NZX: GXH) today reported a net profit after tax attributable to shareholders of \$10.5 million for the six months to 30 September 2016, an increase of 26.4% on the same period last year. The result includes a net \$2.3 million increase in one-off gains versus the same period last year.

Green Cross Health Chairman Peter Merton said of the result, “The Group has achieved good growth, particularly from our Community Health division. This solid performance is despite New Zealand experiencing its lowest cold and flu season in 26 years.”

Mr Merton said improvements in efficiency and service delivery in the Community Health division delivered strong results. “Revenue was up 6.8% and operating profit before interest and tax up \$0.9 million to \$1.2 million, with Auckland enjoying significant growth. In Wellington, our sole provision contract commenced in August and has delivered more than 2,000 new clients, bringing our total client base to over 20,000.”

The Pharmacy division revenues grew by 13.7% to \$157.8 million over the prior period and pharmacy membership increasing to an all-time high of 347 pharmacies. Operating profit before interest and tax was \$12.3 million, a similar result to last year. “Our investment in new greenfield sites and the closure of Auckland’s Downtown mall has impacted on the pharmacy division in this period.” Mr Merton said.

Revenue for the Medical division rose to \$24.8 million resulting in a net operating profit before interest and tax of \$1.4 million, also a similar result to last year. Mr Merton said “We’re pleased to see patient numbers rise to 206,886 (up 6%) in the first half of this fiscal year.”

Dividend

The Directors have resolved to pay a fully imputed interim dividend of 3.5 cents per share to shareholders on the register at 5pm on 13 December 2016. The dividend will be paid on 23 December 2016. The dividend reinvestment plan continues to operate.

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