



Green Cross Health Limited Half Year Result

Auckland, 25 November 2014 - Green Cross Health Limited (GXH:NZX) today reported a profit for the six months to 30 September 2014 of \$6.9 million, a decrease of 2% on the \$7.1 million reported for the same period last year. The result was achieved on total pharmacy and medical centre revenues of \$134.8 million (2013: \$127.0 million).

“We are pleased with the progress that the overall business has experienced during the last six months” said Green Cross Health Chairman Peter Merton.

“Our strategy of being an integrated primary care provider remains a key focus for the Board and the proposed acquisition of Access Homehealth Limited which we recently announced is another important step in that process.”

Investment in the pharmacy and medical divisions continued during the period with the acquisition of two pharmacies and, in October Peak Primary Limited.

“The rebranding of our pharmacies to Life and Unichem has gone well and is almost complete. The consolidated branding, along with the launch of our new loyalty rewards programme provides a good platform for the pharmacy division to build on in the future,” commented Mr Merton.

Business Highlights:

- Pharmacy membership in the group has increased to an all-time high of 307 pharmacies
- Two distinct brands, Life Pharmacy and Unichem have been successfully established
- The living rewards customer engagement programme has grown to include more than 800,000 members with 718,880 transacting since 1st April 2014
- Medical growth has been achieved through organic patient number increases
- Renaming the medical business Green Cross Health - Medical Division, has aligned it with the group name and strategic direction
- The recent announcement of the proposed acquisition of Access Homehealth Limited gives Green Cross Health a significant presence in community and home health care market.

Financial Highlights:

- Pharmacy retail sales growth from all stores is up by 5% vs same period last year
- Net Cash Inflows from Operating activities was \$7.6m
- Medical Profit is up by 18%
- Dividend for six months was 3.5 cents per share payable in December 2014

Pharmacy Division

Pharmacy retail sales are up 2.3% and dispensary sales have risen by 1.0% on a same store basis. The key drivers for this have been the rebranding of the groups pharmacies with all but a handful of pharmacies now under the Life Pharmacy and Unichem brands.

The impact of the Living Rewards customer engagement programme has been very positive and expectations have been exceeded with customer sign ups. The programme now has more than 800,000 members with 718,880 transacting since the 1st April 2014.

Pharmacy profits are slightly lower compared to the previous year, as resources have been focused on successfully driving top line sales growth via increased investment in the Living Rewards programme and marketing, along with lower than projected contributions from a few recently acquired pharmacies.

Medical Division

The medical division growth has been achieved through the organic growth in patient numbers. The Group also acquired Peak Primary's 11 GP practices in October 2014. The acquisition will increase the medical group turnover by \$26m, and the number of patients by 86,000. In addition the group has increased the managed service agreements by six, which now gives us a total of 49 medical centre sites.

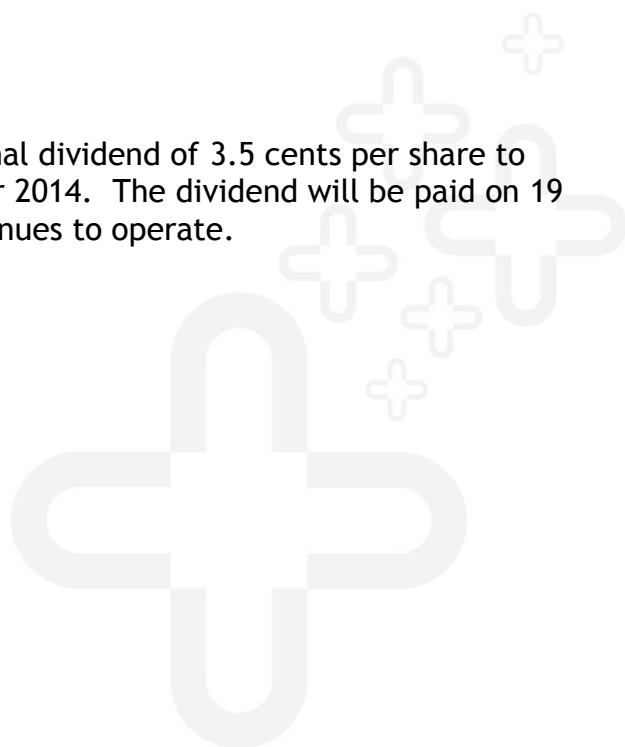
Community Health

The recently announced proposed acquisition of Access Homehealth Limited will add approximately \$85m in revenues to the Green Cross Health group. It will provide the group with significant presence in the home health care market and complements the 50% investment in Total Care Health made earlier in the year.

"This gives us the opportunity to fulfil our goal of delivering improved health care for New Zealanders," commented Mr Merton.

Dividend

The Directors have resolved to pay a fully imputed final dividend of 3.5 cents per share to shareholders on the register as at 5pm on 9 December 2014. The dividend will be paid on 19 December 2014. The dividend reinvestment plan continues to operate.



Results for announcement to the market		
Reporting Period	6 months to 30 September 2014	
Previous Reporting Period	6 months to 30 September 2013	
	Amount (000s)	Percentage change
Revenue from ordinary activities*	\$134,798	6.2%
Profit from ordinary activities after tax attributable to security holders*	\$6,941	-2.0%
Net profit attributable to security holders*	\$6,941	-2.0%
Dividend	Directors have resolved to declare a dividend of a net 3.5 cents cash per share, fully imputed at 28%.	
Comments	Please refer to the attached Consolidated Financial Statements for the half year ended 30 September 2014.	

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