

PRIMARY HEALTH CARE LIMITED
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18 September 2014

ASX Limited
Company Announcements Office
Exchange Centre
Level 4, 20 Bridge Street
Sydney NSW 2000

MARKET ANNOUNCEMENT
(ASX:PRY)

TRANSPORT HEALTH

Primary Health Care Limited (“Primary”) attaches an announcement in relation to the acquisition of Transport Health Pty Ltd (“Transport Health”).

Yours faithfully

A handwritten signature in black ink, appearing to read 'Ed Bateman', with a long horizontal stroke extending to the right.

Dr. Edmund Bateman
Managing Director

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**PRIMARY HEALTH CARE ENTERS
PRIVATE HEALTH INSURANCE MARKET**

Acquisition of Transport Health provides strategic platform

Primary Health Care Limited (Primary) today announced that it had reached agreement to acquire private health insurer Transport Health from the Transport Friendly Society for \$18 million. Transport Health has approximately 5,000 policyholders and a long history of providing comprehensive healthcare coverage to transport workers and their families.

Following the transaction, Transport Health policyholders will benefit from access to Primary's extensive network of healthcare providers including dentists, specialists, and physiotherapists. Primary intends to use its suite of healthcare services to establish an extended provider network for existing and future Transport Health members.

As part of the transaction, Transport Health has applied to the Private Health Insurance Administration Council to convert to an open-access fund. This will provide Primary with the opportunity to grow a private health insurance offering beyond the existing membership base.

Transport Health represents a strong platform for Primary to enter the private health insurance market and Primary believes there is significant scope to extend Primary's core principles of accessibility and affordability to private health insurance. Transport Health has demonstrated that it can deliver sustainable growth above the industry average.

Primary's chief executive, Dr Edmund Bateman, said: *"We view the provision of private health insurance as a natural extension of the services currently offered by Primary, particularly in the context of a constantly evolving healthcare system and the need to empower patients to take greater control of their own healthcare outcomes."*

We believe this transaction delivers a strong platform from which Primary can build a leading private health insurance business that gives all Australians access to an extensive range of affordable healthcare benefits.

We look forward to working with the existing Transport Health team to drive the future growth of the business and provide innovative and competitive products to current and future policyholders."

As part of the agreed transaction, Primary will also acquire Dental on Swan, a dental facility in Richmond that serves existing Transport Health members. Dental on Swan is complementary to Primary's existing network of more than 50 dental centres across Australia.

The transaction will be funded through existing cash and debt facilities and is expected to complete by the end of November 2014.

For enquiries please contact:

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