



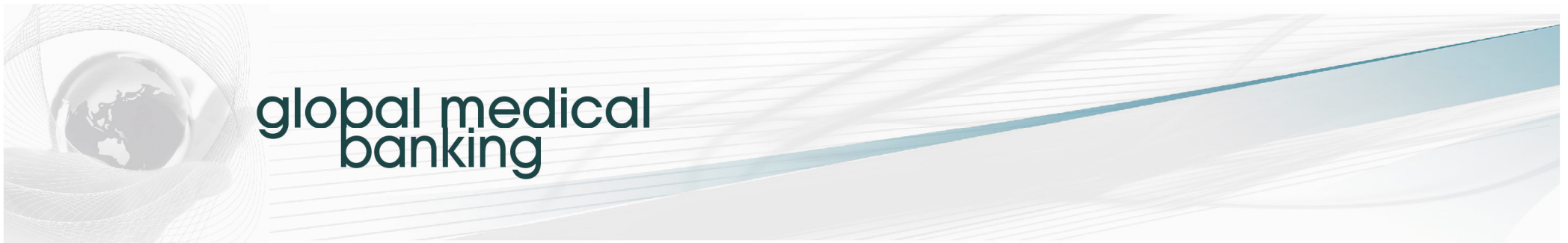
ICSGlobal Business Update

June 2009

Presented by

Tim Murray, CEO, ICSGlobal Limited

Donna M. Murphy, CEO, Thelma-US Medical Billing Services



- ◆ ***On track to be cash flow positive during calendar 2009***
- ◆ **Thelma transactional volume:**
 - Australia: continues to grow at 50% per annum
 - US: grown at approx 100% per month over March, April, May. Over 1 million transactions a month still to be implemented
- ◆ **Medical Billing & Collection (MBC - UK):**
 - Acquired November 2007
 - Year on year growth of 50% expected to continue
 - Record figures for Q1 2009 in all areas of the business
- ◆ **Medical Recovery Services (MRS - US)**
 - Acquired December 2008
 - Expecting 50% growth during calendar 2009



◆ ICSGlobal Limited

- **Mr Ross Bunyon AM** – Chairman (Non-Exec) since June 2007
- **Mr Tim Murray** – Managing Director and CEO since he founded ICS in 1990.
- **Mr Geoff Lambert** – Director (Non-Exec) since 1999
- **Mr Lindsay Martin** – Chief Financial Officer since 2000

◆ Thelma-EU Limited (wholly owned subsidiary of ICSGlobal)

- **Mr Tim Murray** – Managing Director
- **Dr Diana Bell** – Director (Non-Exec). Founder of MBC.
- **Mr Lindsay Martin** – Executive Director and CFO
- **Mr Garry Chapman** – General Manager

◆ Thelma-US, Inc. (wholly owned subsidiary of ICSGlobal)

- **Mr Tim Murray** – Chairman and CEO, Healthcare Transaction Services
- **Ms Donna Murphy** – CEO, Medical Billing Services
- **Mr Lindsay Martin** – Director and CFO
- **Mr Emory Meeks** – Executive Director, Healthcare Transaction Services



- ◆ Global opportunity: inefficient and costly healthcare administration
- ◆ ICSGlobal's medical banking strategy is based on 2 business channels:
 1. Healthcare clearing house technology, Thelma
 2. Acquiring established, profitable billing companies that collect revenue for doctors and hospitals
- ◆ ...and vertically integrating them to create 3 value streams:
 1. Thelma transaction fee revenue
 2. % of all revenue collected by billing companies
 3. Compound profit effect as Thelma reduces costs in the billing companies and generates more fee-earning transactions to be routed by Thelma



Progress: Thelma-Australia

Australian Transaction Volume - All Transaction Types



- ◆ The projected Australian volume for the June quarter shows continued growth at over 50% per annum in transaction volumes through THELMA, as shown in the graph
- ◆ Private hospital transactions remain flat due to the free service that Medicare Australia continues to provide in competition to Thelma
- ◆ This is the basis of ICSGlobal's anti-competitive claim in the Federal Court against Medicare Australia

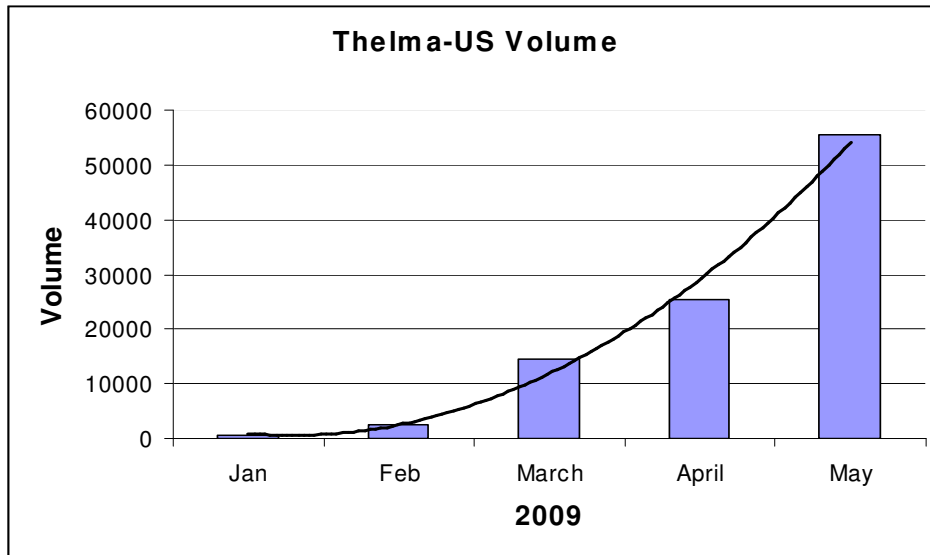


◆ Medicare litigation:

- ❑ On 11 August 2008, Thelma Pty Ltd, a wholly owned subsidiary of ICSGlobal, filed an application in the Federal Court of Australia alleging anti-competitive conduct by Medicare Australia.
- ❑ Thelma alleges that Medicare Australia has unlawfully used its market power in providing electronic private health transaction services identical to those provided by Thelma into the private health sector, free of charge, in direct competition to Thelma, for the purpose or effect of eliminating or substantially damaging Thelma; and/or to deter or prevent Thelma from engaging in competitive conduct.
- ❑ Thelma has estimated its loss and damage in excess of \$65 million
- ❑ The trial has been listed for on 30 November 2009
- ❑ The Board of ICSGlobal is confident of the merits of the company's claim against Medicare Australia.



Progress: Thelma-US



◆ Volume through Thelma-US is ramping up across the key US medical banking transaction types:

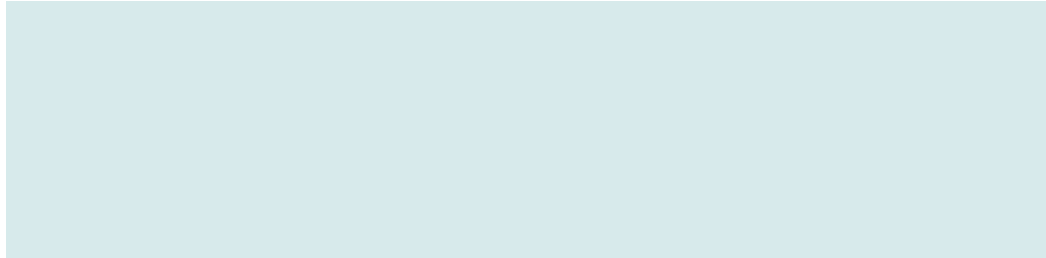
- Eligibility checks
- Healthcare claims
- Remittance advice
- Claim status reports
- Human readable reports (HRR)

◆ Volume growth has been slower than expected due to:

- Medicare's re-enrolment of doctors, required when they change clearinghouse, taking longer than the published 6 weeks;
- Some of our customers and transaction partners having to slip the priority of connecting to Thelma behind more pressing business issues.

◆ Over 1 million transactions a month with existing customers and transaction partners still awaiting implementation





US Business Update and US Opportunities for ICSGlobal

**Donna M. Murphy
CEO, Medical Billing Services, Thelma-US, Inc.**



- ◆ **Healthcare is the fastest growing industry segment in the US because of the aging “Baby Boomer” generation (1946 – 1964)**
 - ❑ By 2015 healthcare will be 20% of the US GNP
 - ❑ By 2020 hospital admissions will double
 - ❑ By 2030 over 20% of the population will be over 65
- ◆ **Healthcare spend is currently US\$3 trillion pa, over 20% of which is lost in administrative costs and inefficiencies**
- ◆ **In Feb 2009, U.S. Congress approved the economic stimulus bill, which contains \$19 billion for a national system of patient records:**
 - ❑ Starting in 2011, doctors are eligible for \$40,000 to \$65,000 in grants if they begin using health-information technology.
 - ❑ Penalties for those who fail to adopt the systems would start in 2014



- ◆ Medical billing companies are effectively an outsourced “accounts receivable” service for doctors. Revenue is based on a % of money collected (ranges from 4% - 8%)
- ◆ I started in medical billing about 25 years ago, and founded Medical Recovery Services (MRS) in 1992
- ◆ MRS takes an assembly approach to Medical Billing and is not something a private practice can duplicate
- ◆ MRS audits the process for each batch of work the production workers perform
- ◆ One example of a client (3MD & 2PA) started with MRS and in one year their revenue increased US\$1.5 Million and they did not do anything different other than change billing from Dr’s wife to MRS
- ◆ MRS continues to improve our processes to increase revenue



- ◆ Growth history of MRS:
 - 2004 -> 2005 7% growth
 - 2005 -> 2006 14% growth
 - 2006 -> 2007 8% growth
 - 2007-> 2008 40% growth (achieved with a 1% increase in staff numbers)
- ◆ Thelma-US acquired MRS for US\$1.75m effective from 1 January 2009
- ◆ In February 2009, MRS took on the largest client in the company's history (70% increase in doctors)
 - Annualised EBIT estimated to increase from US\$430,000 to US\$675,000 once all doctors registered and transacting
 - The new client is expected to double in size over the next 6 months
 - IT systems at MRS have meant new doctors can be serviced with just 2 additional staff
 - A further doubling of the client would only require an additional 2 to 3 staff
- ◆ Other doctors signed up since acquisition are expected to generate annualised revenue of US\$150,000
- ◆ Aggressive growth strategy being pursued. Discussions are in progress with two potential acquisitions



- ◆ ICSGlobal acquired The London Patient Billing Service (LPBS) in November 2007 for £950,000 (EBIT multiple of approx 4.5)
- ◆ Since the acquisition ICSGlobal has reinvested heavily in the business to prepare it for rapid growth
- ◆ LPBS was rebranded to Medical Billing & Collection (MBC) in May 2009 to facilitate the marketing of the business to the other countries that make up the UK
- ◆ The marketing focus has been expanded from individual doctors to include hospitals and larger groups of clinicians, and a contract has been secured with one of the UK's major private hospital groups for a billing trial with one of its clinics.
- ◆ Year on year growth of 50% is expected to continue if not accelerate
- ◆ Record figures in all areas of the business for Q1 2009



- ◆ ***On track to be cash flow positive during calendar 2009***
- ◆ Thelma transactional volume growing strongly in our 2 markets
- ◆ Medical Recovery Services (MRS - US)
 - Acquired December 2008
 - Expecting 50% growth during calendar 2009
- ◆ Medical Billing & Collection (MBC - UK):
 - Acquired November 2007
 - Year on year growth of 50% expected to continue
 - Record figures for Q1 2009 in all areas of the business
- ◆ Global opportunity: inefficient and costly healthcare administration
- ◆ ICSGlobal has a proven global growth strategy around these opportunities

