

28 August 2017

Dear Shareholder

On behalf of the Abano Board and management, I am pleased to present the Abano Annual Review for the 2017 financial year.

The full 2017 Annual Report is available to view on our website [www.abano.co.nz/report](http://www.abano.co.nz/report).

FY17 has been another year of growth for our company as we continue to focus on building our businesses in the trans-Tasman dental market, as well as increasing returns for our radiology investment.

Our vision is to build market leading brands and healthcare businesses that have the competitive advantage of size, scale and reputation. We see the \$11-billion revenue trans-Tasman dental market as our primary opportunity, and our goal is to create a \$1-billion revenue dental business.

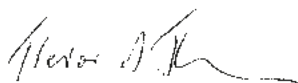
Our largest opportunity is in the Australian dental market, which is approximately 12 times larger than the New Zealand market and we are looking to step up our dental growth plans, particularly in Australia.

With the increase in underlying NPAT per share, the Board was pleased to declare a final FY17 dividend of 20 cents per share. This takes Abano's full year dividends to 36 cents per share, a 20% increase on last year and equal to 67% of Underlying NPAT.

We have a track record of delivering on our promises and we remain focused on ensuring we meet and exceed the expectations of our shareholders.

We are well positioned for the continued growth of our company and are committed to balancing our growth requirements with attractive dividend payments.

We look forward to welcoming you to our Annual Shareholders' Meeting on 25 September 2017 in Auckland. The Notice of Meeting and your Proxy/Voting form are included in this pack.



Trevor Janes  
**Chairman**

## FY17 AT A GLANCE

### **STRONG FINANCIAL PERFORMANCE**

Results in top half of guidance. Both business groups delivered increasing margins and earnings growth

Record Underlying NPAT \$11.5m, up 43% on continuing businesses

### **INCREASED DIVIDEND**

Final dividend of 20 cents per share partially imputed, taking full year dividend to 36 cents per share, up 20%

### **CONTINUED DENTAL GROWTH**

Acquired 27 dental practices, growing network to 205 practices as at 31 May 2017

### **BRAND ROLLOUT**

Continued the rollout of the Maven Dental Group brand in Australia with more than 50% of the network now branded

### **SHAREHOLDERS REJECTED THE HOSTILE PARTIAL TAKEOVER BID FROM HEALTHCARE PARTNERS**

Less than 4% support from other shareholders for the partial offer

### **BOARD APPOINTMENT**

Election of Australian-based Dr Ginni Mansberg as an Independent Director to the Board

### **FINALIST INFINZ AWARD 2017**

Emerging Leaders Best Corporate Communicator award

### **POST YEAR END**

Announced a \$35 million 1 for 5 fully underwritten renounceable rights offer to support Abano's dental growth, particularly in Australia