



Alison Paterson - Chairman

**Welcome to the 2007 annual meeting of
shareholders**





Meeting Structure and Agenda

- Chairman's Address
- Managing Director's Address
- Shareholder Discussion
- Resolutions as per the notice of meeting
- Close of the meeting

Directors

- Alison Paterson
Independent chairman
- Alan Clarke
Managing director
- Trevor Janes
Independent deputy chair
Audit committee chair
- Phil Newland
Independent director
- Susan Paterson
Independent director
Remuneration committee chair
- Graeme Edmond
Independent director

Senior Management

Corporate

- Richard Keys
- Brendan O'Sullivan

Chief financial officer
Group financial controller

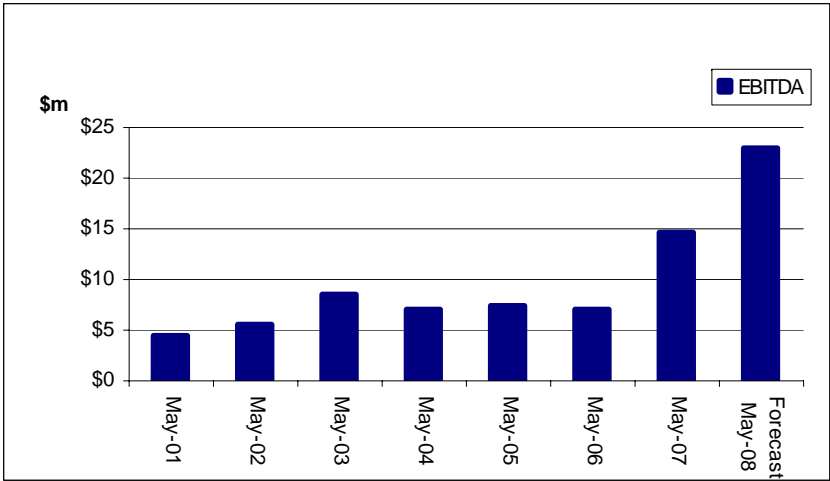
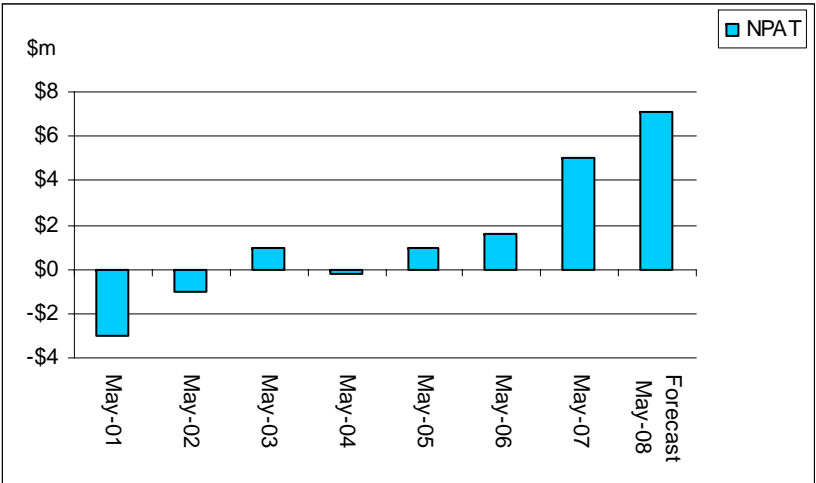
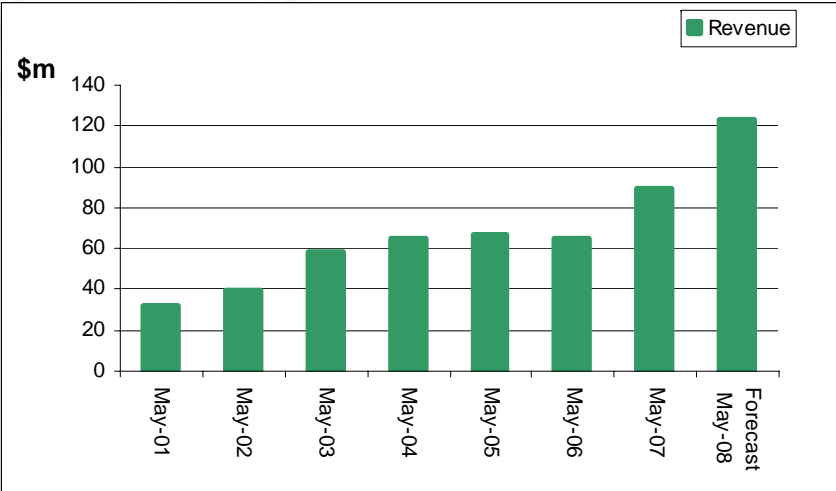
Sector Management

- Andy Tapper
- Dr Karen Wood
- Peter Hutson
- Dr David Rogers
- Wayne Howett
- Robin Cooper

Abano Dental
Aotea Pathology
Bay Audiology
Ascot Radiology
Orthotic Centre
Abano Rehabilitation



Continuing Growth



Dividend



- Payment of 50 percent of Net Profit After Tax
 - Maiden Dividend of 11 cps
 - Full imputation credits
-

Partnership Philosophy

- Invest in successful medical and healthcare businesses with long term equity partnerships with the clinical founders.
- Work with equity partners to grow their business, creating additional shareholder value.
- Introduce new equity partners through recruitment and succession planning to replace retiring equity partners.

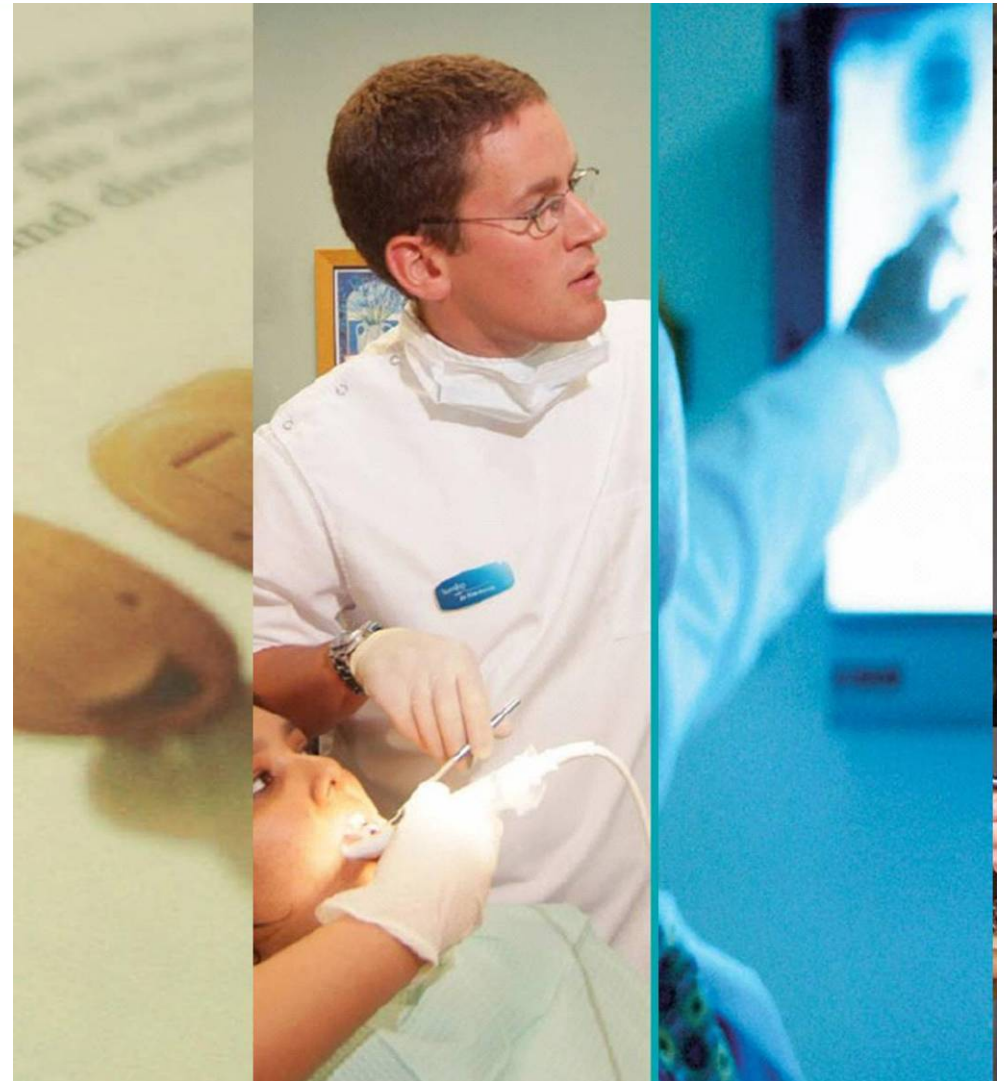


Growth Strategy

Audiology

Dental

Radiology



2008 Market Guidance



(\$m)	FY05 ¹	FY06 ²	FY07	FY08 Forecast
Revenue	66.7	65.2	89.5	122.7
EBITDA	7.5	6.7	13.9	22.2
EBIT	4.2	4.4	10.7	17.5
Net Interest Expense	(2.9)	(0.5)	(0.9)	(2.6)
Put Option "Interest"	0.0	(0.9)	(1.2)	(1.7)
NPBT	1.3	3.3	8.7	13.2
Tax	(0.3)	(1.7)	(3.4)	(5.4)
Minority Interests	0.0	0.0	(0.3)	(0.7)
NPAT	1.0	1.6	5.0	7.1

1. NZIFRS adopted in 06. FY 05 figures restated.

2. Excludes capital gain on sale of ElderCare

2008 Performance YTD



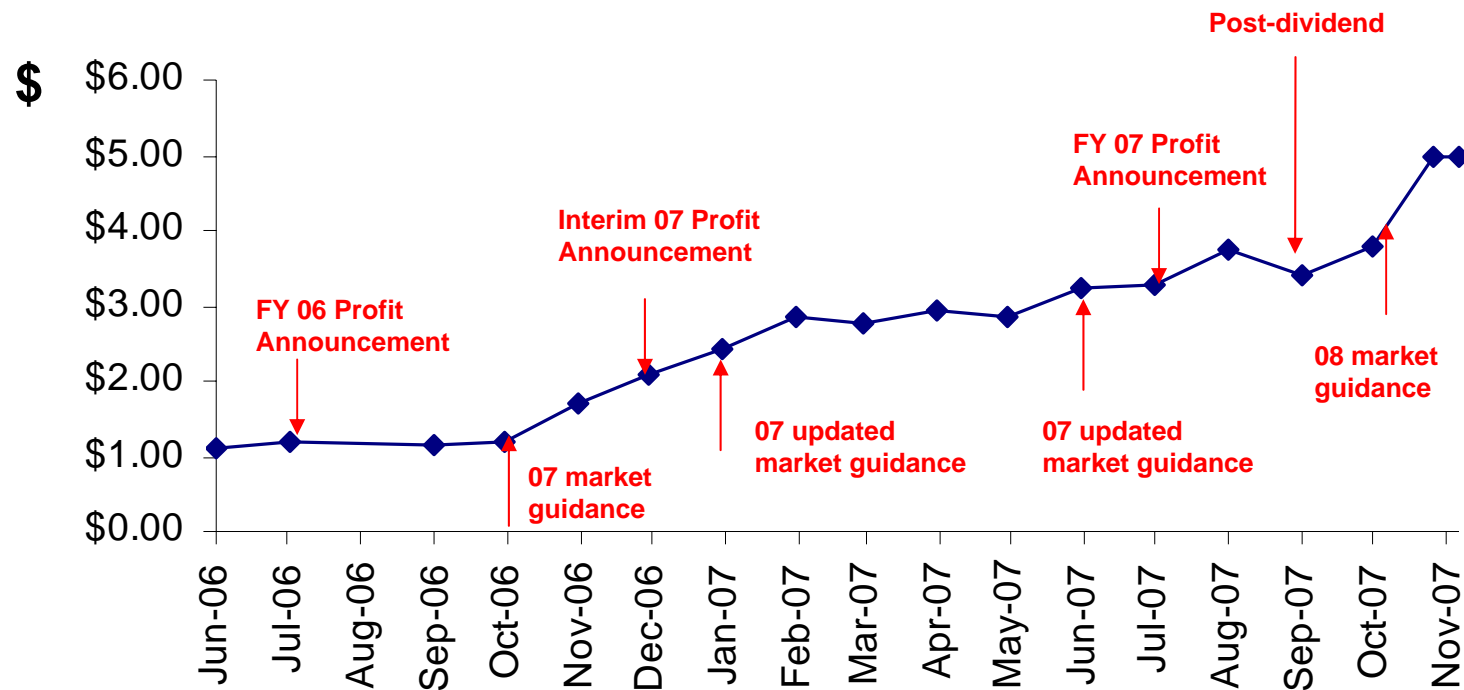
- All businesses performing either in line or ahead of forecast
 - Fee increases, new ACC and DHB contracts and improved business processes boosting performance for Orthotics, Pathology and Rehabilitation
 - Further improvement to margins and bottom line returns from growth strategies in Dental, Audiology and Radiology
 - Ongoing acquisitions and opening of new clinics
-

Ownership



1. Continue with the existing successful management and board model and shareholder structure
 2. Partial Takeover offer from Masthead
 3. Possible interest from other third parties
-


Abano as an Investment



The Future

A portrait of a woman with short brown hair, smiling warmly. She is wearing a dark red top with a patterned scarf.

"Don't put up with hearing problems a moment longer."

 **BAYAUDIOLOGY**
THE HEARING EXPERTS



Alan Clarke Managing Director



2007 Highlights



- Record operating profit of \$5.0 million with Revenue of \$89.5 million on EBITDA of \$13.9 million
 - Dental - Acquisition of six new clinics and appointment of Andy Tapper as general manager
 - Audiology – six new NZ clinics and entry into the Australian market
 - Diagnostics – establishment of Aotea Pathology and commencement of new \$102 million, 5 year community pathology contract
 - Orthotics – acquisition of remaining 30%, taking ownership to 100%
 - Radiology – acquisition of 80% of Greenlane Imaging, and exercised option to acquire further 40% in Ascot Radiology, taking ownership to 80%.
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Moving Forward



Bay Audiology Strategy - Grow and Expand



NZ Market Size

The Audiology market is over 55% private payment and 45% ACC and other public funding sources.

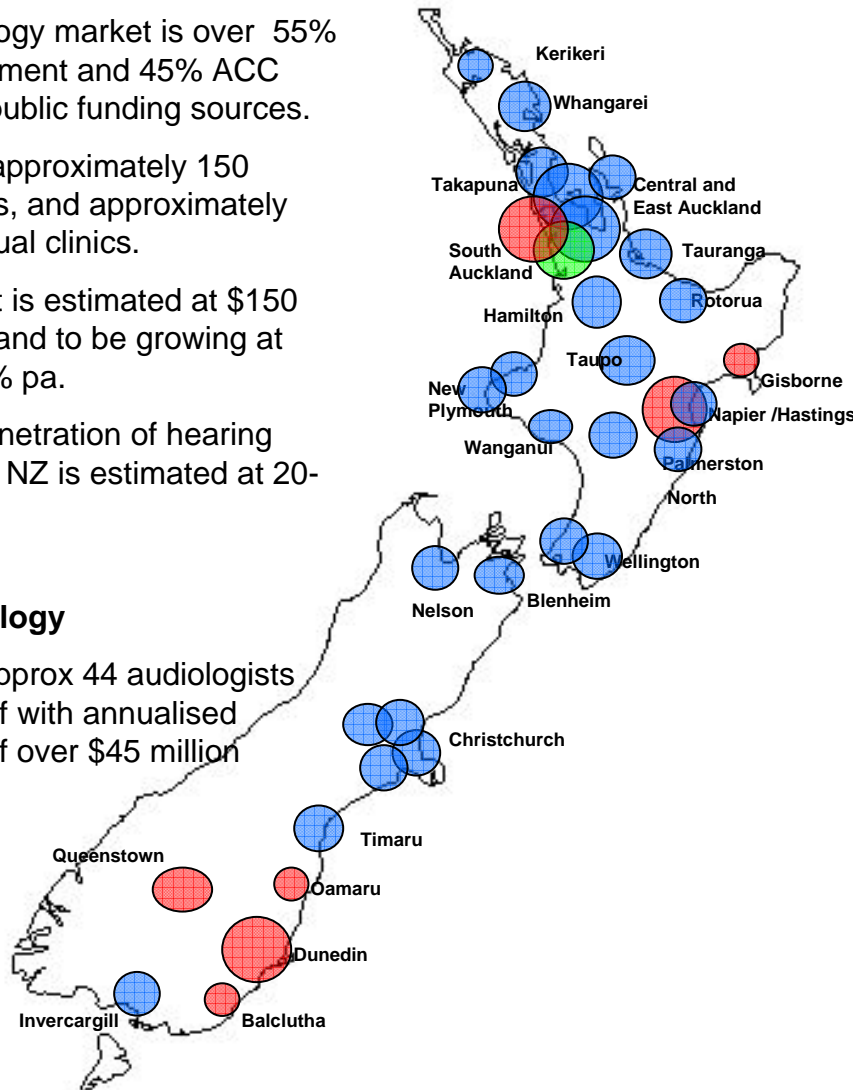
There are approximately 150 audiologists, and approximately 150 individual clinics.

The market is estimated at \$150 million pa, and to be growing at around 10% pa.

Level of penetration of hearing impaired in NZ is estimated at 20-30%.

Bay Audiology

We have approx 44 audiologists and 81 staff with annualised revenues of over \$45 million



Bay Audiology - 44 existing clinics including:

Kerikeri	Wellington	Taupo
Whangarei	Kapiti Coast	Hamilton
Auckland	Christchurch	Nelson
Wanganui	Hastings	Blenheim
Timaru	Rotorua	Thames
New Plymouth	Invercargill	



Dilworth Audiology - 5 existing clinics

Owned 40% through Bay

Auckland – Epsom, Remuera, Takapuna, St Heliers, Howick



Potential clinics

- Auckland
- Gisborne
- Napier
- Otago
- Dunedin
- Southland/Central

Bay Audio Australia Strategy - Grow and Expand



Market Size

The Audiology market is split 80% by OHS and 20% private payment.

There are approximately 1,350 registered Audiologists and approximately 350 full time clinics.

The market is estimated at over A\$800 million pa.

Market has grown by over 10%pa for the last ten years.

Level of hearing impaired in Australia is estimated at 20% – 30%.

Bay Audio

We have 5 audiologists and 10 staff with annualised revenues of over \$4 million



Bay Audio - 15 existing clinics

Queensland Brisbane, including:

Clayfield	Cannon Hill
Newmarket	Browns Plains
Hervey Bay	Bulimba
Bundaberg	Wynnum
Cooparoo	



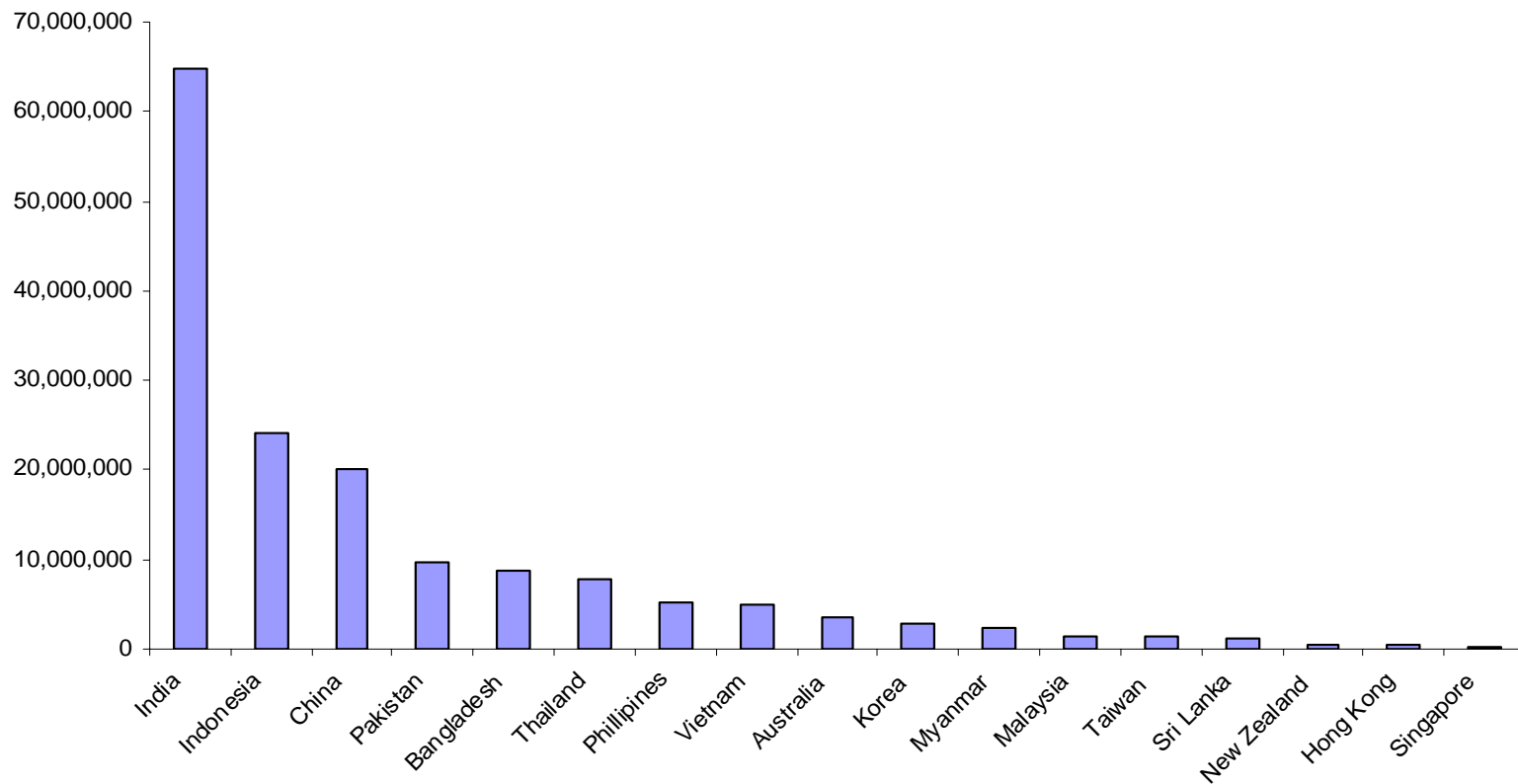
Potential clinics

Queensland
New South Wales
Australian Capital Territory
Victoria
South Australia

Abano Audiology Asia Opportunity



Number of Hearing Impaired



Lumino Care Dental Strategy - Grow and Expand



Market Size

The Dental market is 99% private payment.

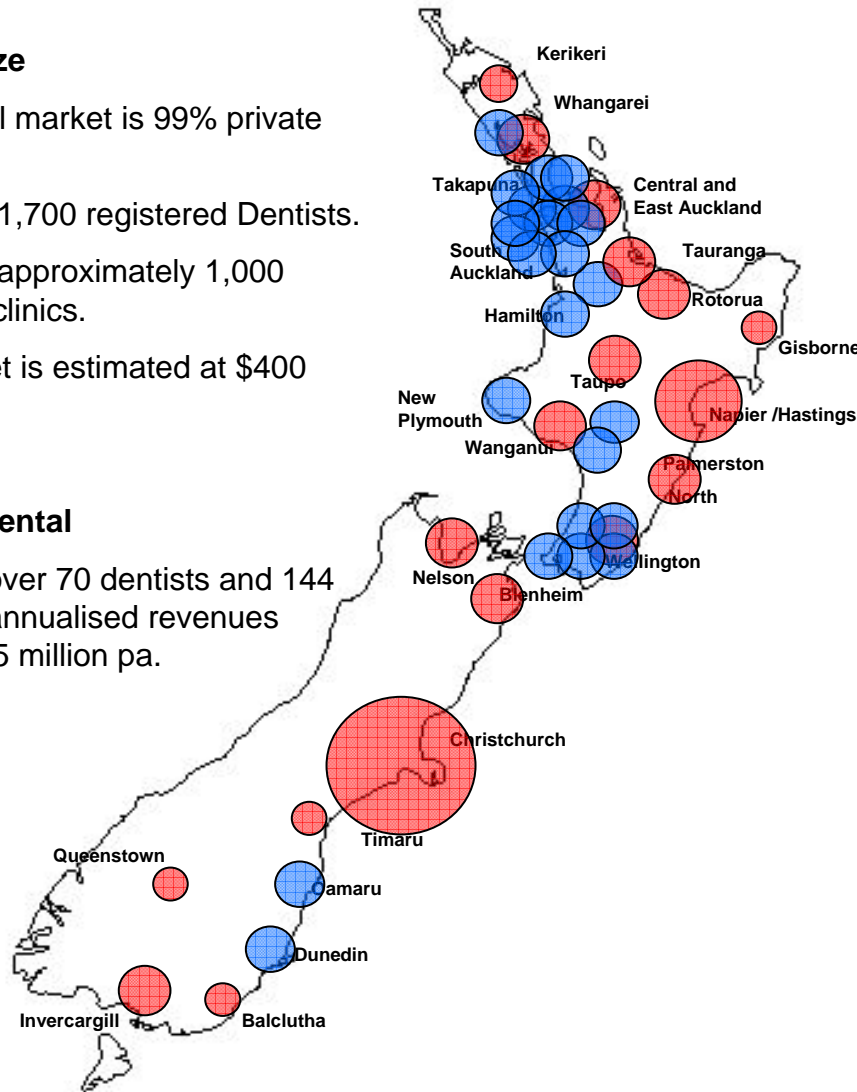
There are 1,700 registered Dentists.

There are approximately 1,000 individual clinics.

The market is estimated at \$400 million pa.

Lumino Dental

We have over 70 dentists and 144 staff with annualised revenues of over \$25 million pa.



Abano Dental – 31 existing clinics including:

Auckland

- University
- Henderson
- Mt Roskill
- New Lynn
- Botany Downs
- Takapuna
- Panmure
- Victoria Ave
- Remuera Road

Wellington

- Miramar
- The Terrace
- Courtney Place
- Dixon Street
- Lower Hutt

- Whangarei
- Dargaville
- Orewa
- Red Beach
- Hamilton
- Te Awamutu
- Palmerston North
- New Plymouth
- Oamaru
- Dunedin



Potential Clinics

- | | |
|----------------------|--------------------|
| Auckland | Tauranga |
| Central North Island | Rotorua |
| Christchurch | Nelson Marlborough |
| Southland | Otago |

Ascot Radiology Strategy - Grow and Expand



Market Size

The Radiology market is estimated to be 65% Private, 30% ACC and 5% DHB payment.

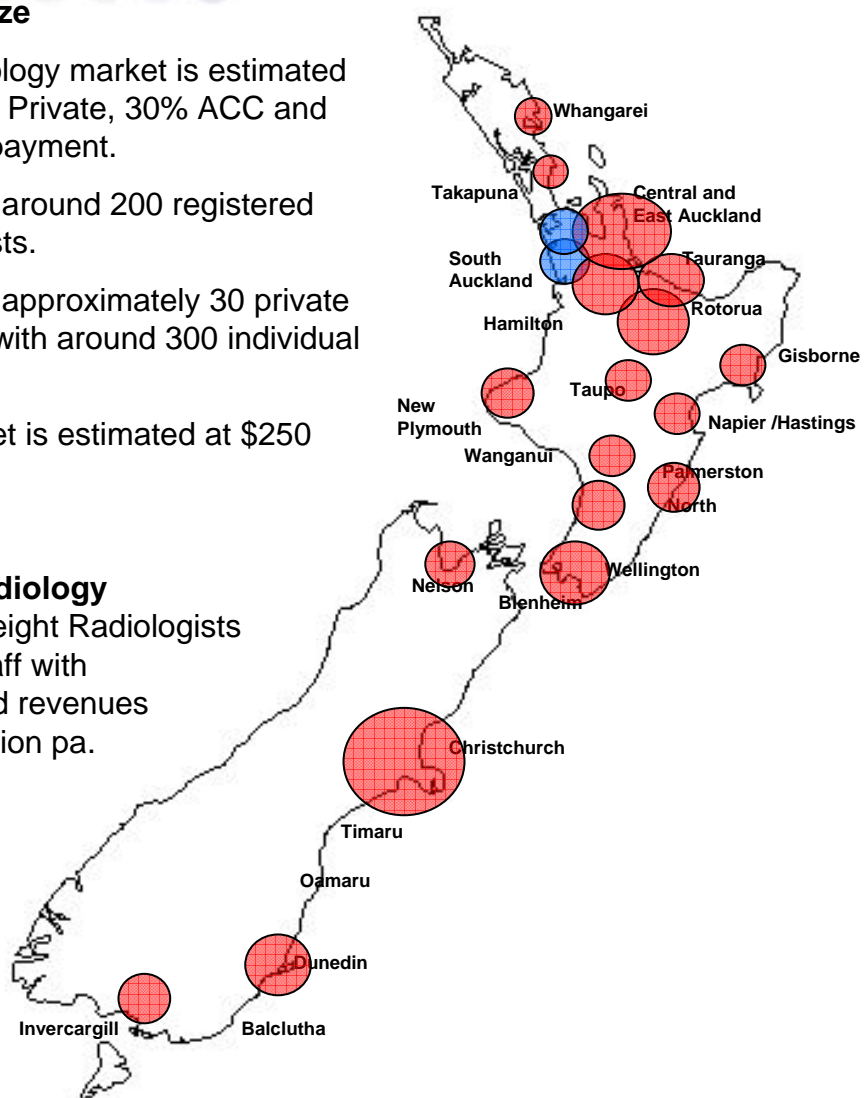
There are around 200 registered Radiologists.

There are approximately 30 private practices with around 300 individual clinics.

The market is estimated at \$250 million pa.

Ascot Radiology

We have eight Radiologists and 37 staff with annualised revenues of \$10 million pa.



Existing Practice

Auckland - Ascot Radiology

Greenlane Imaging



Private Radiology Market

Orthotics Strategy – Hold and Maintain



Market Size

The Orthotics market is estimated to be 80% Private, 10% ACC and 10% DHB payment.

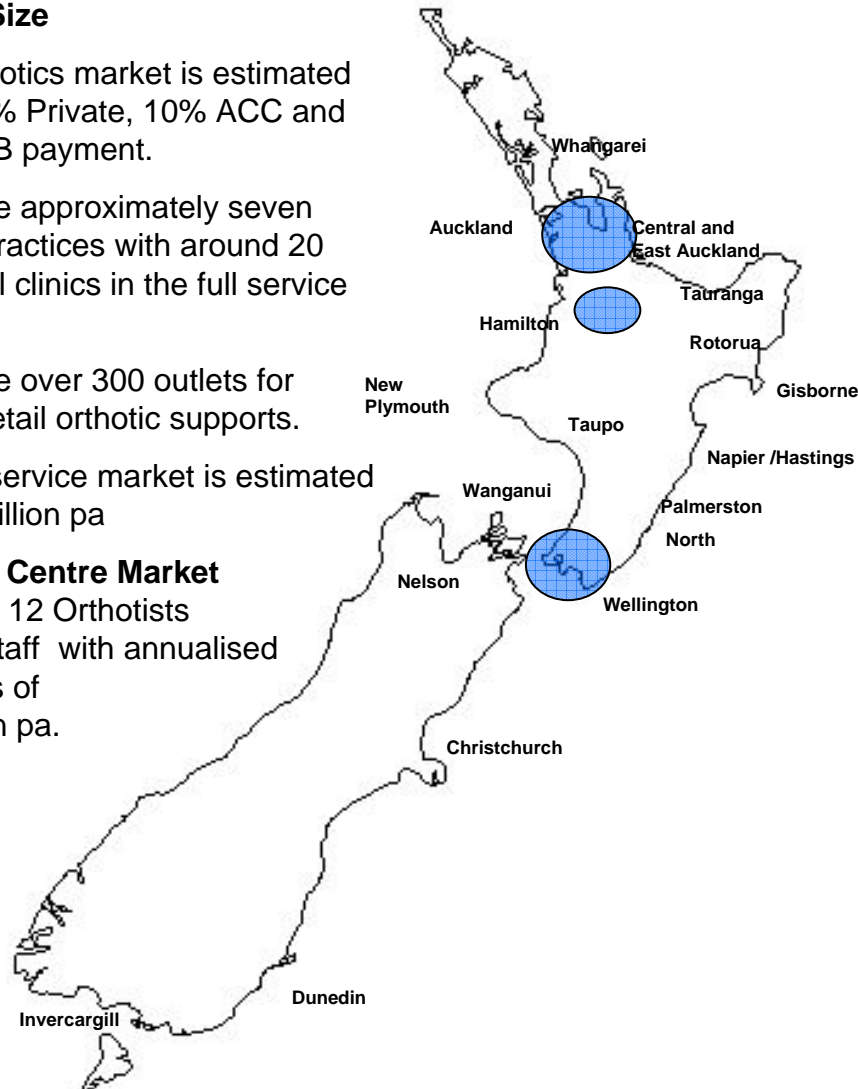
There are approximately seven private practices with around 20 individual clinics in the full service area.

There are over 300 outlets for private retail orthotic supports.

The full service market is estimated at \$12 million pa

Orthotic Centre Market

We have 12 Orthotists and 40 staff with annualised revenues of \$8 million pa.



Orthotics Centre – 3 existing practices

Auckland

Hamilton

Wellington

Brain Injury Rehabilitation Strategy Hold and Maintain



Market Size

The Rehabilitation market is 95% ACC and MOH funded.

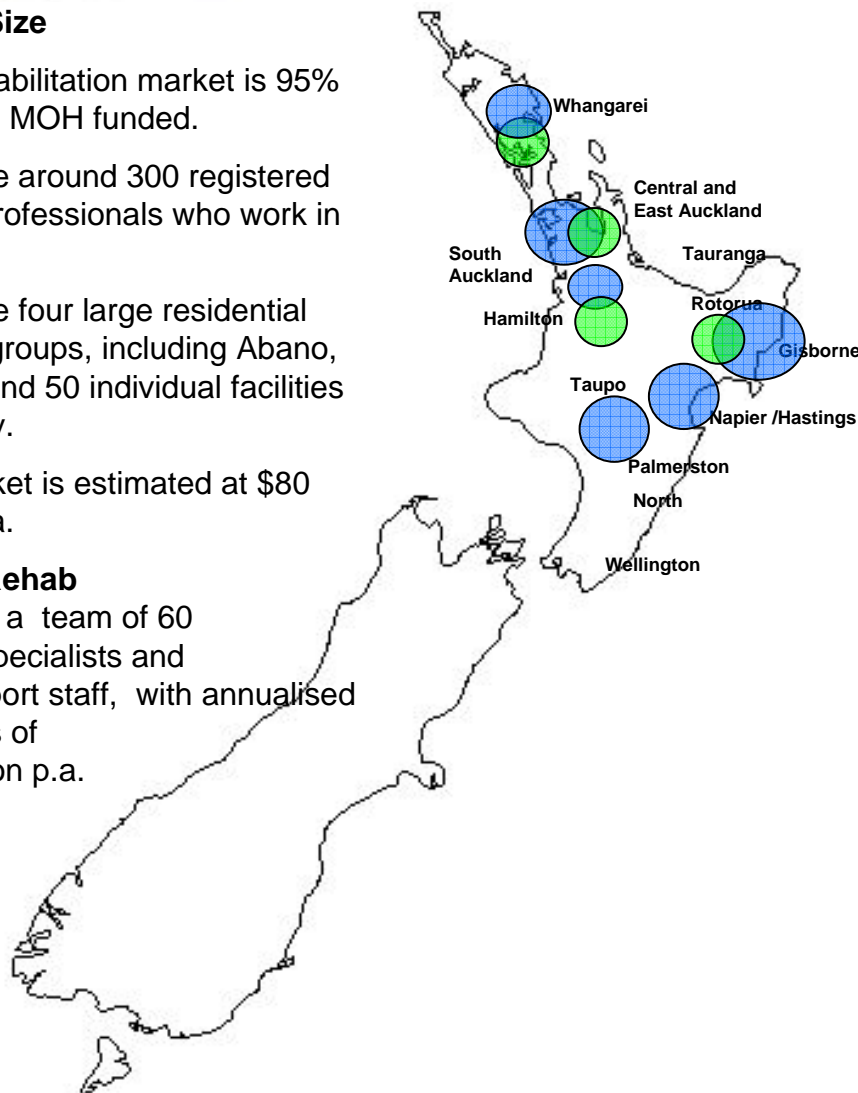
There are around 300 registered clinical professionals who work in this area.

There are four large residential support groups, including Abano, with around 50 individual facilities nationally.

The market is estimated at \$80 million pa.

Abano Rehab

We have a team of 60 clinical specialists and 150 support staff, with annualised revenues of \$12 million p.a.



Existing Residential Facilities

Ranworth Healthcare

<u>Auckland</u>	Whangarei
West Auckland	Palmerston North
South Auckland	Hamilton
Central Auckland	<u>Gisborne</u>
Hastings	3 residential facilities



Existing Out Patient Facilities

Burtens Healthcare & Health Partners and Ranworth Community Support

Auckland	Gisborne
Hamilton	Whangarei

Aotea Pathology Strategy - Hold and Maintain



Market Size

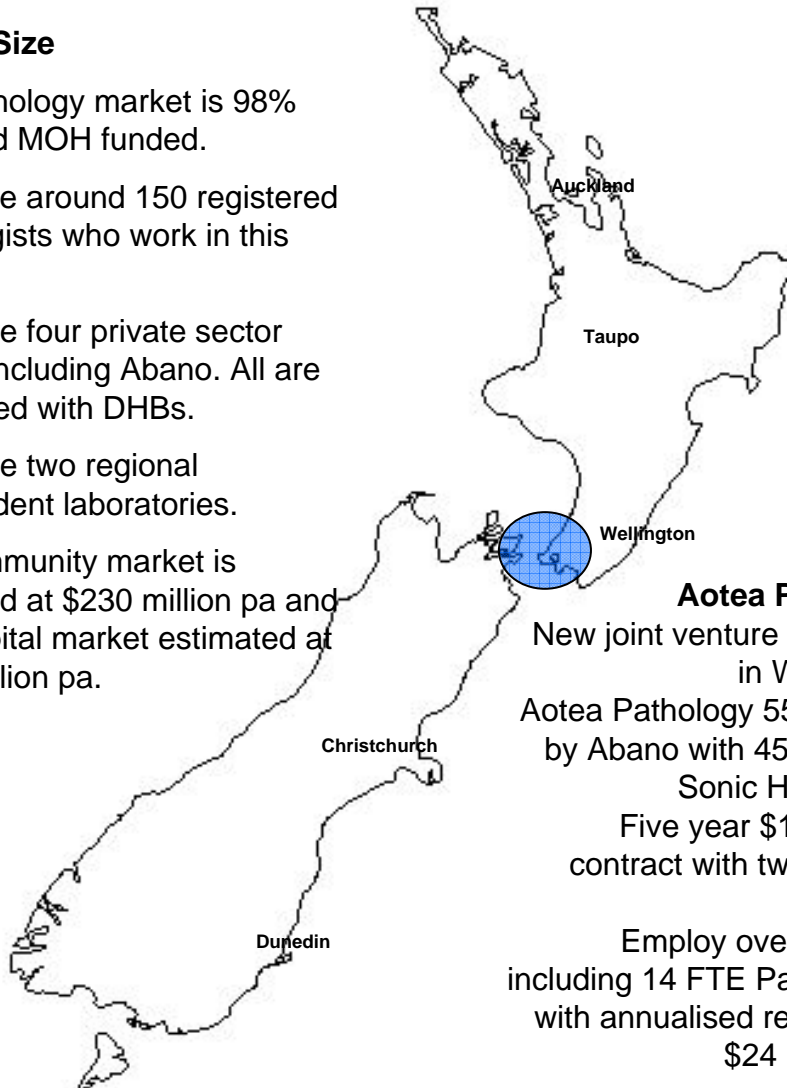
The Pathology market is 98% DHB and MOH funded.

There are around 150 registered Pathologists who work in this area.

There are four private sector groups including Abano. All are contracted with DHBs.

There are two regional independent laboratories.

The community market is estimated at \$230 million pa and the hospital market estimated at \$250 million pa.



Existing Laboratory Facilities and coverage

Aotea Pathology

Wellington

Hutt Valley

Kapiti Coast

Aotea Pathology

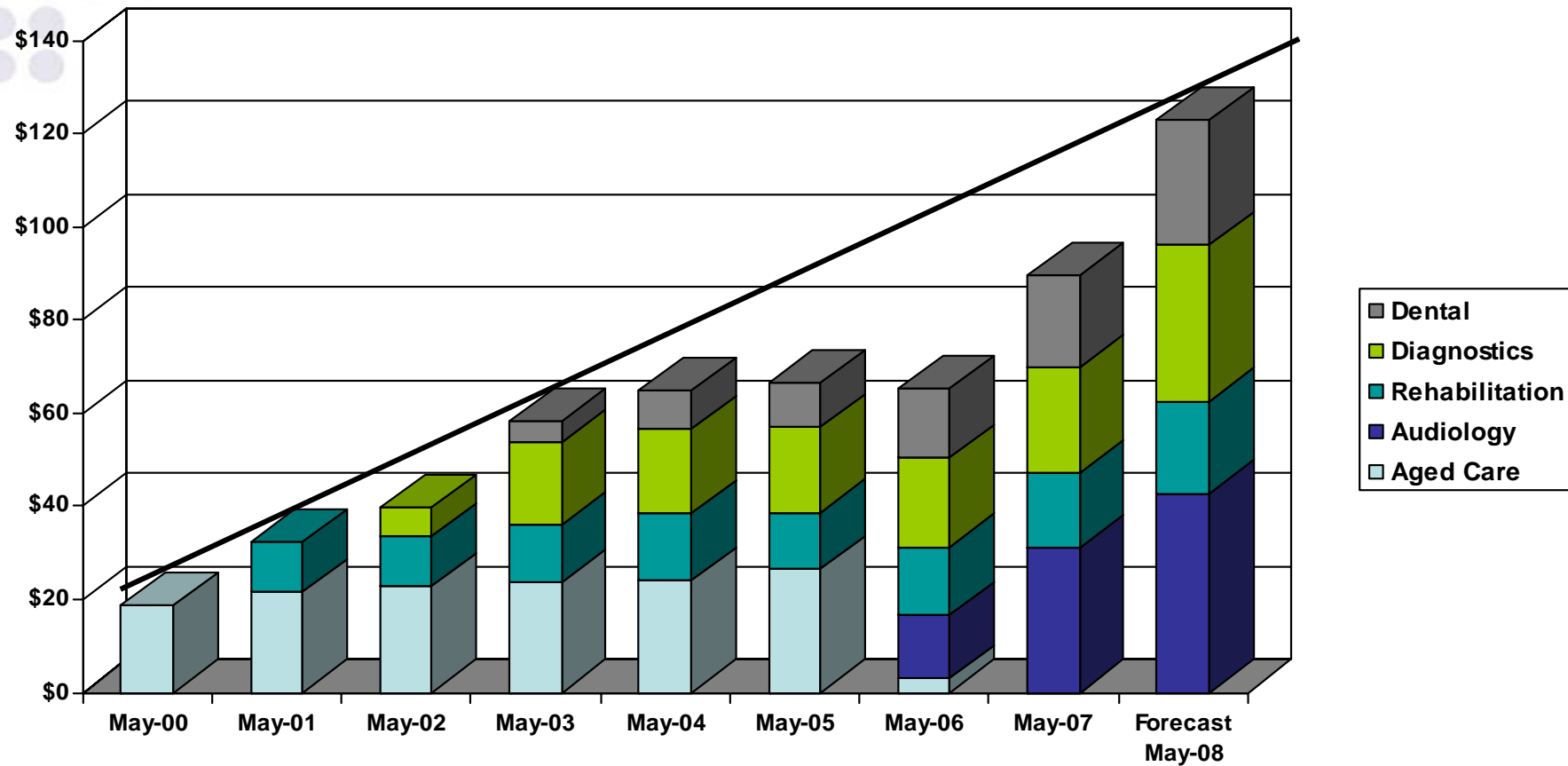
New joint venture laboratory in Wellington.

Aotea Pathology 55% owned by Abano with 45% held by Sonic Healthcare.

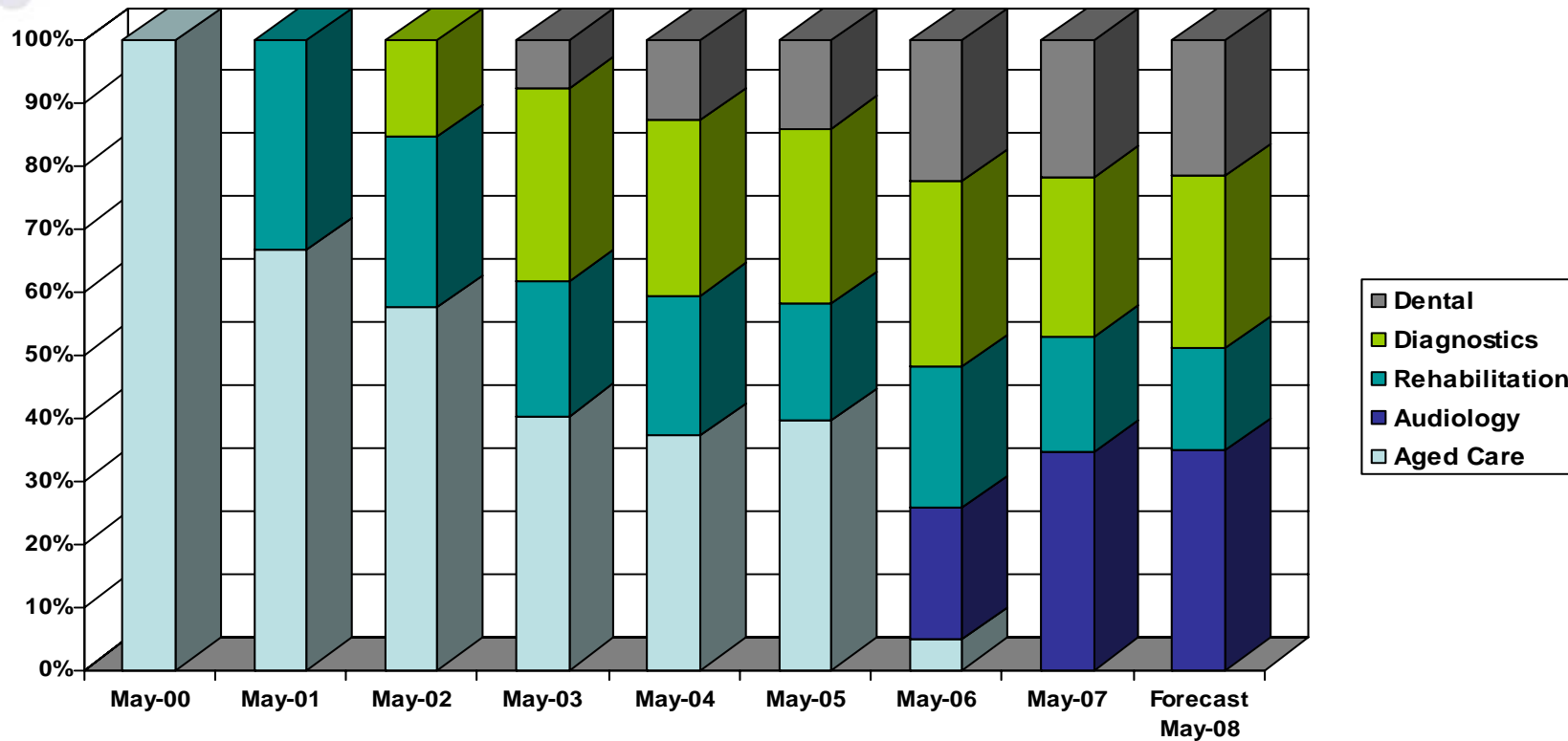
Five year \$102 million contract with two regional DHB's.

Employ over 250 staff including 14 FTE Pathologists with annualised revenues of \$24 million pa.

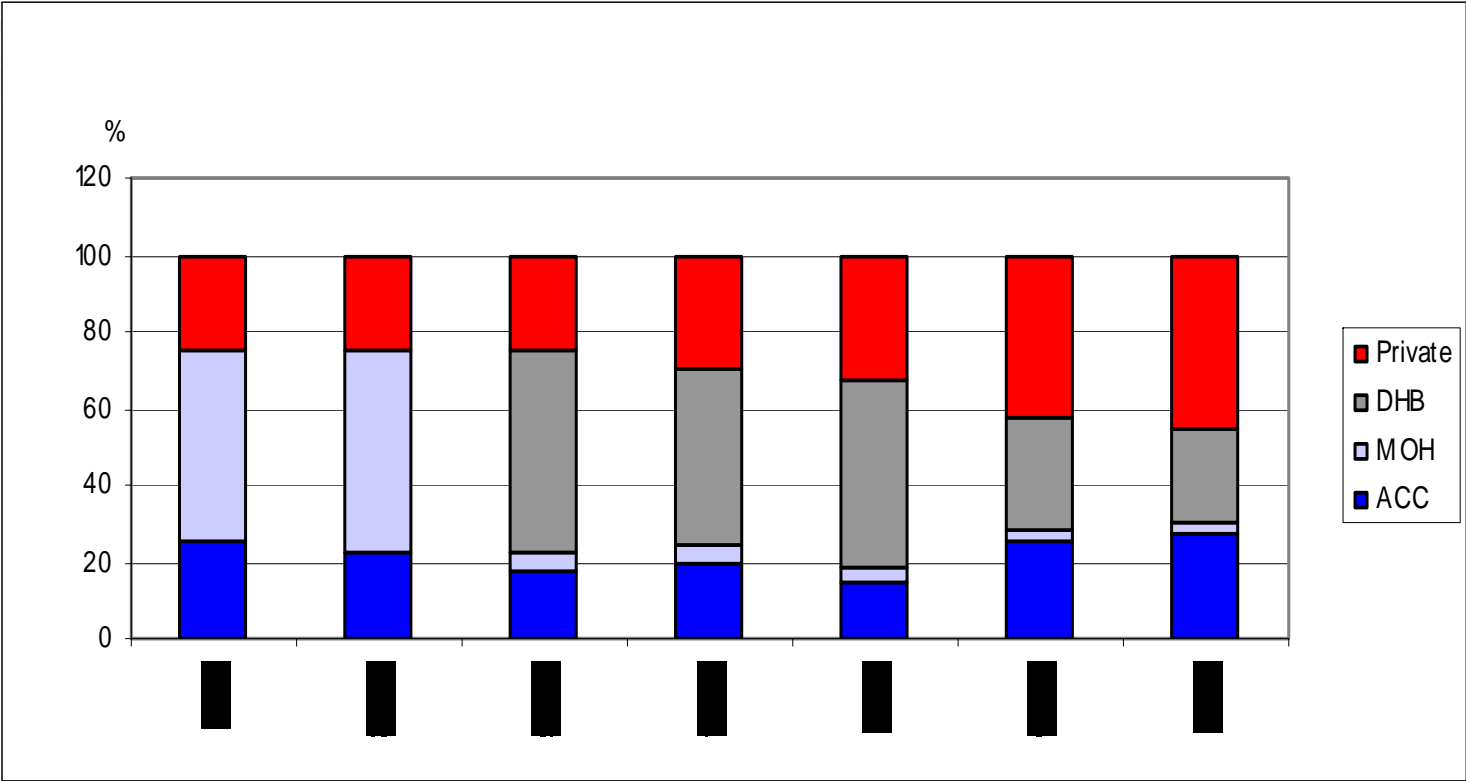
Revenue Progress By Sector



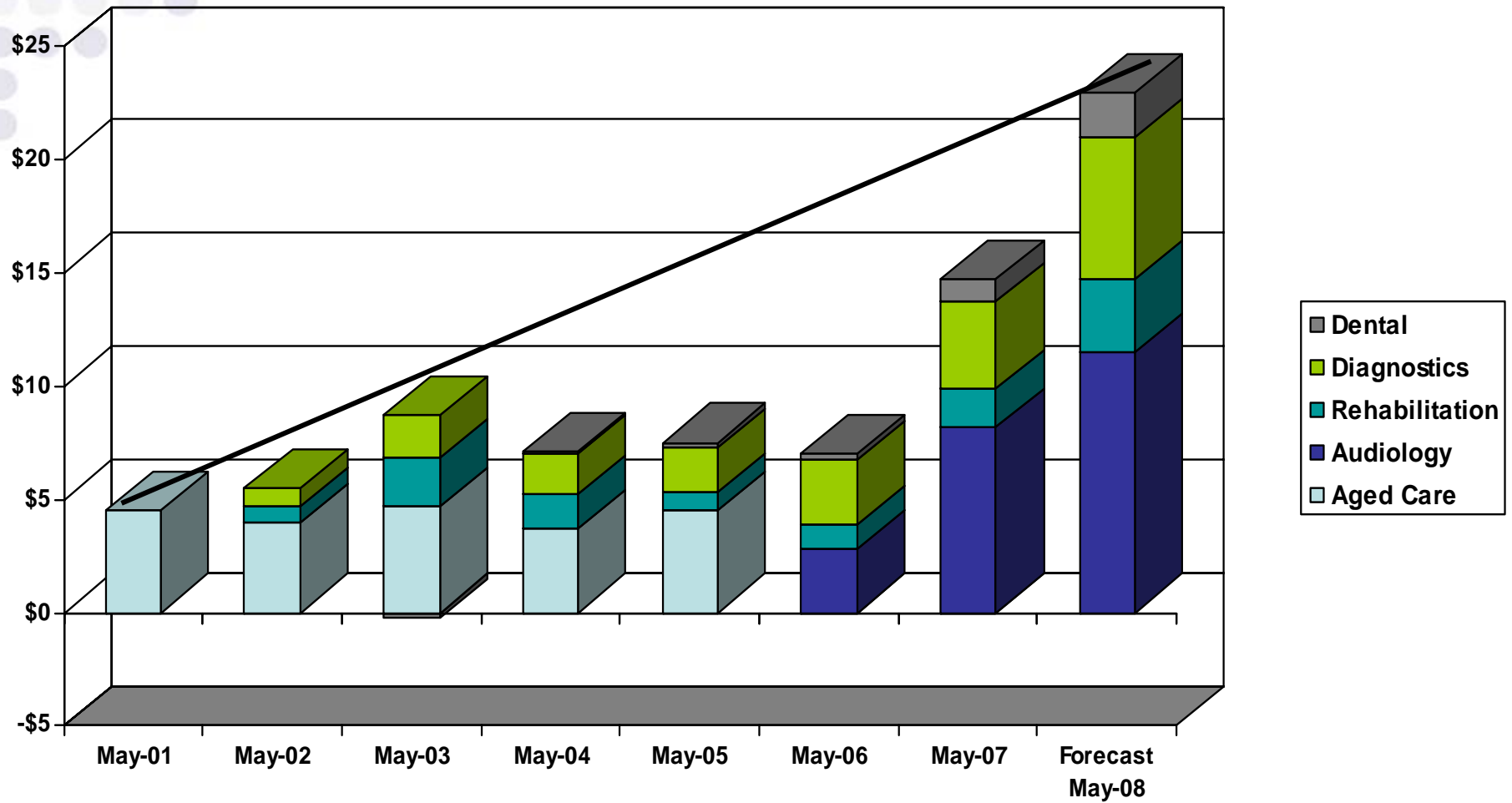
Revenue Mix By Sector



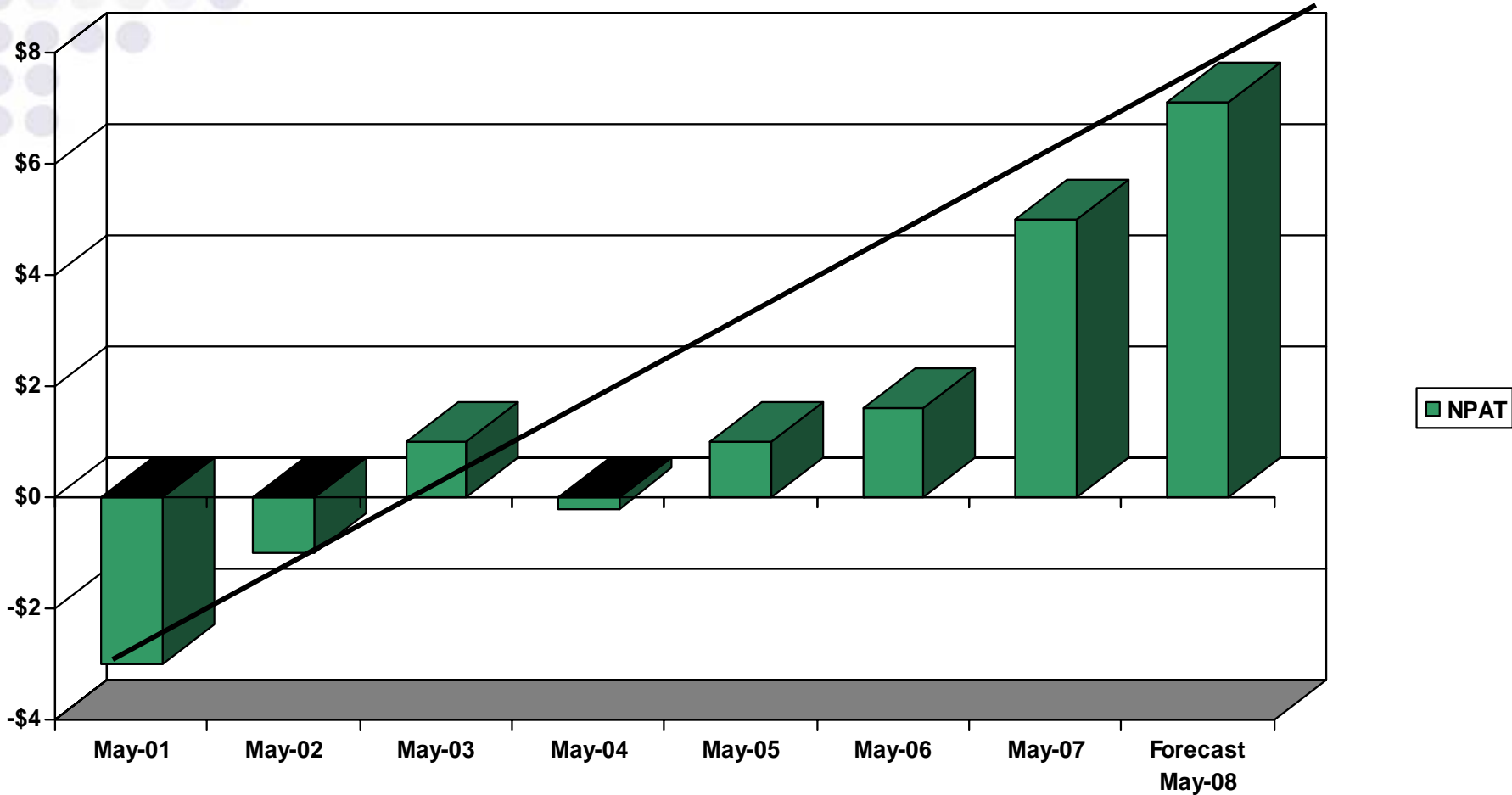
Revenue Source



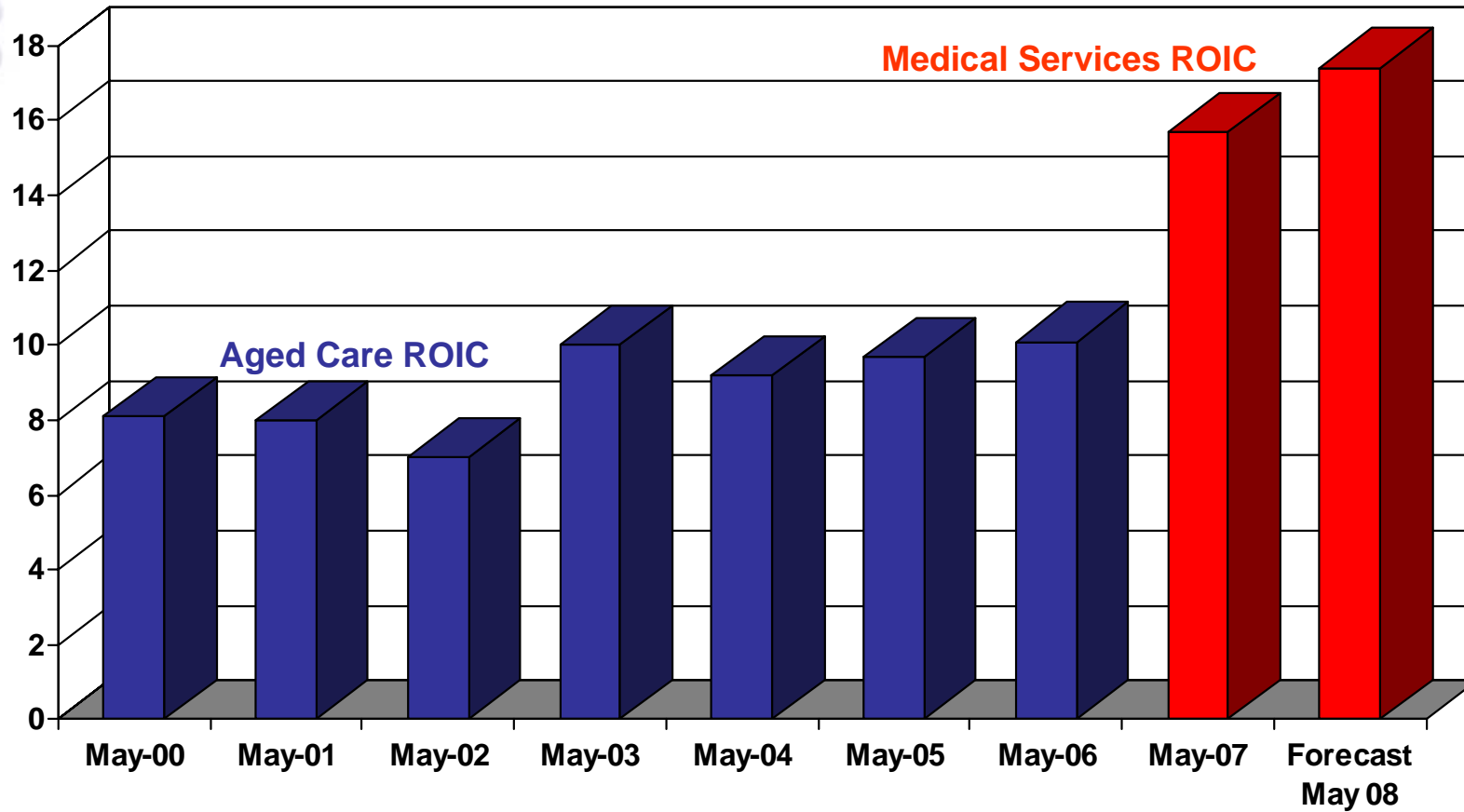
EBITDA Progress By Sector



Core Operating NPAT



ROIC at EBITDA



Abano: A New Zealand Success Story

Creating a better standard of care and treatment by bringing together core businesses within the fragmented healthcare and medical sectors, and offering multi-discipline solutions for clients and patients.





Question and Answer

Resolution One

Reappointment of auditors

Record the re-appointment of PricewaterhouseCoopers as auditors of the Company and to authorise the directors to fix the auditors' remuneration



PROXIES	<u>For</u>	<u>Against</u>	<u>Discretionary</u>
	3,266,498	28,000	5,053,232

Resolution Two

Re-election of Mrs Susan Paterson

To re-elect Mrs Susan Paterson as a director of the Company in accordance with the Company's Constitution



PROXIES	<u>For</u>	<u>Against</u>	<u>Discretionary</u>
	3,295,376	400	5,051,954

Resolution Three

Election of Mr Graeme Edmond

To elect Mr Graeme Edmond as a director of the Company in accordance with the Company's Constitution



PROXIES	<u>For</u>	<u>Against</u>	<u>Discretionary</u>
	3,295,776	0	5,051,954

Resolution Four

Increase in director fees

To approve an increase in total director fees
from \$223,000 to \$307,500

PROXIES	<u>For</u>	<u>Against</u>	<u>Discretionary</u>
	3,249,618	10,931	5,053,181



Resolution Five

Amendment to Executive Share Scheme

To approve the amendment of the Executive Share Scheme.

PROXIES	<u>For</u>	<u>Against</u>	<u>Discretionary</u>
	3,221,430	16,704	5,062,629



Conclusion

Presentations available online at www.abanohealthcare.co.nz



Annual General Meeting 2007

Abano Healthcare Group Limited