

annual review 2014



{idh} dental
helping the nation smile

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chairman's statement



PAUL PINDAR
NON-EXECUTIVE CHAIRMAN

We remain focused on executing our strategy to be the largest vertically integrated dental services business in Europe.

helping the nation smile

I am delighted to report that this has been another strong year for the Group. The number of practices operated by us across the UK now exceeds 600 and the steps we took at the end of 2013 to strengthen our business, with the appointment of our new CEO Terry Scicluna has continued with the appointment of our new COO Annette Spindler at the beginning of 2014. Both Terry and Annette bring a wealth of experience in healthcare to our business.

We are enjoying recent strong growth in both NHS and private dentistry. We are particularly pleased with the growth shown in private dentistry.

As IDH continues to pursue its five-year growth strategy to expand its practices to over 1,000 across the United Kingdom it has added to its practice services arm

with the acquisition in April 2014 of the Dental Directory group, one of the largest providers of dental consumables and services in the UK.

The acquisition of the Dental Directory group was a major achievement and signalled a step change for the business. Alongside "dbg" our specialist engineering and training business, this enables us to offer a full suite of products and services both to our Group practices and to over 7,500 independent dental practices across the UK.

Outlook

We remain focused on executing our strategy to be the largest vertically integrated dental services business in Europe, providing a great customer and patient experience, profitable growth

through creating opportunities to provide more value-added services. This will continue to be underpinned by our investment in those areas that support scalable and efficient delivery of an excellent clinical service to patients.

Finally, on behalf of the Board, I would like to thank everyone across the Group for their continued commitment and passion during a year that marks a further successful step in the overall transformation of the Group.



chief executive's review



TERRY SCICLUNA
CHIEF EXECUTIVE

We aim to deliver industry leading clinical care through extensive investment in our practice, in training for our employees and our dentists.

I am pleased to present our Group's annual review for the year 2014. Over the past year, the business has experienced rapid growth.

Having been with the business for nearly twelve months now I am consistently impressed with the quality and dedication of the team in the field and in the support centre in ensuring the best possible standards of patient care for all our patients across the UK.

As the largest vertically integrated dental services provider in the UK, we seek to offer consistent, high quality affordable care and convenient access to dental services for over 5 million patients through our extensive national network. We aim to deliver industry leading clinical care through extensive investment in our practices and in training for our employees and our clinicians. In addition, we are a leading provider of dental supplies and services across the

United Kingdom to both our own and third-party dental practices, through our Practice Services divisions, comprising dbg and The Dental Directory. Together, they provide a range of consumables, materials, equipment and maintenance and training services to dental practices.

Our programme of expanding the footprint of the business through the acquisition of additional dental practices, mainly through our in-house team, goes from strength to strength with the Group adding a further 61 practices in the 12-month period to 31st March 2014. The practices include a mix of National Health Service (NHS) and private dental practices. There is also a focus on key specialisms including Orthodontics, Implantology and Endodontics to further develop the hub and spoke model for referring patients to the best possible specialist.

Our increasing network of sites and substantial investment in systems development, including CRM, will enable us to continue to innovate and develop our services to meet our patients' changing needs in both private and NHS dentistry. We will continue to ensure that the patient is at the heart of everything we do and strive to deliver "dentistry to smile about".

Our partnerships with our clinicians and key suppliers remain an important part of our strategy, giving us the scale and breadth of service offering that our patients need. We are working hard to improve communications and to make sure all our partners understand our strategy and values, as they play an important part in us achieving collective success so we can become the provider of choice for patients.

On 17 April 2014, the Group bought The Dental Directory group. This acquisition,



alongside the acquisition of dbg in 2013 strengthens our offering to our practices. These businesses comprise our Practice Support division and are managed independently from our Patient Services division, which runs the dental practices. The Dental Directory is a supplier and wholesaler of dental materials and equipment. The Group is now actively integrating these two businesses to enable it to become a full service provider of dentistry related supplies and services, both branded and non-branded, both to their existing customers and membership base as well as to our dental practices. Through this vertical integration, the Group has realised significant cost savings and synergies and is better placed to achieve the economies of scale that result from its size, which benefit both our practices and those of the practice divisions third party customers and members.

Our ability to grow and develop our network further was strengthened recently when the Group successfully secured additional finance through the sale of an

additional £100m of bonds by IDH Finance plc, in order to continue its programme of acquisitions.

We continue to streamline processes and optimise practices to help us deliver great value-for-money services. This policy of streamlining the running of IDH practices and easing the burden of bureaucracy ensures that clinicians, practice managers and dental nurses have more time to focus on caring for patients and delivering high quality dentistry.

We have centralised and insourced several support functions including IT, legal, procurement and HR saving substantial costs and improving the service to practices. In addition we have made substantial progress with the introduction of a new patient CRM system which along with our use of contact centre facilities allows us to keep in touch with our patients.

We work closely with The Carlyle Group and Palamon Capital Partners, our equity partners. IDH benefits from their financial strength, extensive network, and strong track record in the management of

healthcare companies.

Overall our Group has had a great year. We have experienced rapid growth in our private revenues, expanded our vertically integrated Practice Support business with the acquisition of The Dental Directory and we remain the UK's largest dental group. In addition, we have continued to make substantial improvements to our operating model and further invested in our practices, people, systems and processes. Finally, I am sure you will all have noticed the change in this year's Annual Review. I am proud to introduce our new brand, mydentist. Over the next few months we plan to roll this out across our estate, changing the look and feel of all our practices. We believe the renewed focus on practices and on who we are and what we believe in is an important next step in the development of our business. {My}Dentist will put the patient at the heart of everything we do.



WE CONTINUE TO STREAMLINE PROCESSES & OPTIMISE PRACTICES TO HELP US DELIVER GREAT VALUE-FOR-MONEY SERVICES.

our focus on patient care

Brilliant for customers and simple for practices.

We are dedicated to delivering the best possible patient care and customer service. We believe this starts with supporting our practices so they can focus wholly on delivering clinical excellence and an outstanding customer experience.

During 2014, we have placed a greater focus within the Support Centre on building a 'service culture', dedicated to supporting our practices and building lasting relationships. Our practices now have a direct link to the department experts that they need, so they can address any issue quickly and efficiently.

In February 2013, we introduced the 'Keeping in Touch' programme. This gives Support Centre colleagues the opportunity to visit our practices and talk to their customers first hand. Not only has this allowed Support Centre colleagues to become more knowledgeable about practice operations, but it has ultimately helped to improve the relationship between our practices and the Support Centre. Feedback from the visits is reviewed on a monthly

basis, so we can continually identify opportunities for improvement. This certainly has a positive effect on motivation and morale in the business. So far, we have visited over 339 practices, with a target to visit all our practices by April 2015.

For our people to deliver excellent customer service, they need to be as equally looked after. We have various measures in place to ensure our colleagues and clinicians are listened to by all levels of the business.

In December, we launched our first 'Great Place to Work' survey to everyone at IDH. The results of the survey have helped shape some of our key business decisions. It is important that everyone at IDH has the opportunity to grow together with the business they have helped to develop. We have also expanded our patient feedback routes, to build a clear picture of our patients' lifestyles, preferences and views. We now have full accessibility to NHS Choices – Europe's most frequently used online health information

service and one of our largest sources of patient feedback. In May 2013, we worked with NHS Choices to establish a process to manage this feedback. Our central patient support team respond to all comments quickly, identify areas for improvement and work with practice teams to implement improvements.

In January 2014, we launched our first nationwide patient survey. This offered us a wide ranging insight into the full experience of attending our practices – from booking appointments, waiting room facilities to the quality of care provided. We are now using this feedback to ensure we offer our patients an excellent service, which is consistent across all of our practices.

A key patient concern was accessibility – booking appointments and talking to our practices at convenient times. We have already made some excellent progress in this area. Our practice websites and NHS Choices' pages are regularly updated, so patients can view accurate opening hours, available treatments, how to register

and contact details. In June 2013, we launched the 'Kids Club' initiative. During all school holidays, our practices allocate dedicated time for family appointments and fun, interactive activities to help educate children and parents on the importance of oral health.

Currently we have 48 practices trialling an online booking service. Results so far show that this is particularly valuable to our working population of patients, as this service can be accessed any time and outside of typical working hours. We are also trialling a centralised booking system, which could potentially enable practice

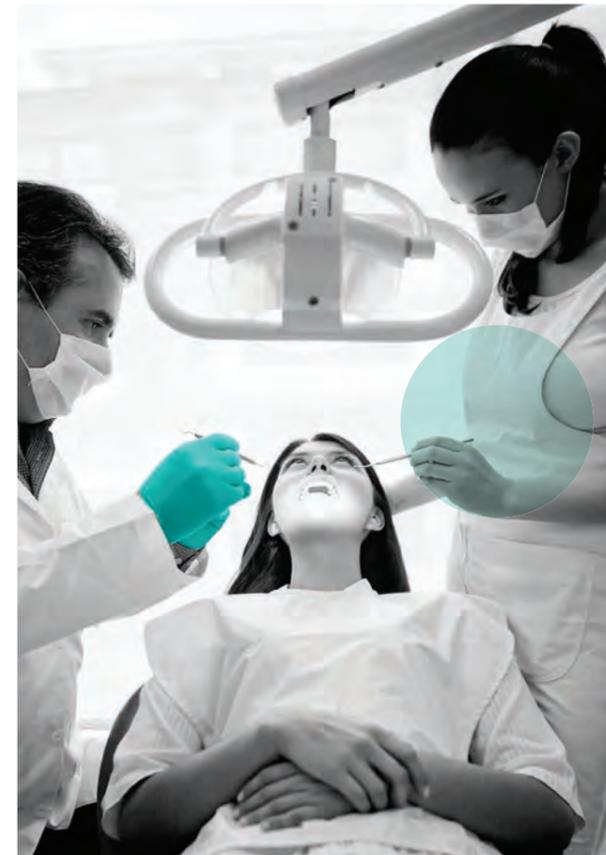
calls to be answered from one central location, therefore providing our Reception teams with more time for face to face interaction with patients.

Offering our patients a choice of treatments is extremely important. We have introduced a number of new initiatives at quarterly conferences, to enable our operational management team to drive this behaviour in practices. This includes the 'Smile Check' – an oral self-assessment completed before appointments, which has resulted in appointments tailored towards the concerns of each individual patient.

Practices Services Division

As a leading provider of dental supplies and services in the United Kingdom to both its own and third-party dental practices, dbg and The Dental Directory provides consumables, materials, equipment and maintenance and training services to

dental practices. They supply products and services within the Group to our Patient Services division and third-party practices, as well as to the NHS Supply Chain in England and NHS Scotland. They also provide services and products to members and customers via online sales, as well as through sales representatives covering certain geographic areas and mail order catalogues. The Dental Directory distributes a catalogue of up to 27,000 products from its central logistics platform, through its online and mail order service. This includes dental consumables, specialist products including orthodontics and oral hygiene and implant products and dentistry equipment ranging from dental chairs and cabinetry to digital imaging systems. It also carries out services such as installation and maintenance and has a handpiece repair business.



investing in our people

The success of our business continues to be based on our people; talented, dedicated clinicians and employees, who deliver high quality patient care, provide value for patients and develop new business opportunities. We now have over 6,000 employees and 3,000 clinicians located throughout our practice network, with a further 300 employees working in our Practice Services division.

Over the last 12 months we have continued to invest in the professional development of our people and our bespoke dental Academy has had a

busy and successful first year. In addition, we currently have 1,158 trainee nurses who are enrolled on an apprenticeship scheme, leading to a Diploma in Dental Nursing. This investment in the future of our people and our practices is a key strategy for our business.

As part of our commitment to support continuous professional development we have developed a comprehensive online learning portfolio which enables our clinicians and dental care professionals to maintain compliance and progress their

development. In the last 12 months our online modules have been accessed over 43,000 times and we have been able to provide over 71,000 verified continuous professional development hours through our flexible online learning portal.

Although the dental Academy has a flag ship site in Manchester we have recognised the need to deliver training on a regional basis. This flexibility allows our clinicians and employees to access academy services wherever they are located across our estate. Providing



regional training courses has proved to be very successful and over the last year we have run 222 instructor led courses across the UK which 885 of our clinicians have attended.

We continue to provide new clinicians joining our business with a comprehensive induction to our business, and so far this year, we have seen 435 new clinicians complete our induction programme.

We work hard with specialists within the dentistry sector to provide development courses for clinicians that will further enhance their technical skills and development. For example, during September we will be offering our first year long course in Rotary Endodontics to 10 clinicians. These courses offer clinicians the opportunity to work through a number of modules spread across 12 months and receive a verifiable accreditation at the end.

So that we can continuously improve our service, we regularly seek feedback from all our clinicians regarding the learning and development opportunities we provide. Following feedback from the clinicians that they would benefit from being able



to learn from each other and share best practice we introduced clinical forums. The regional clinical forums are facilitated by our Clinical Directors and enable clinicians to meet regularly, learn about new procedures and techniques and share best practice.

As a result of training needs analysis completed on performance development plans, we have also introduced a bespoke development programme for our qualified dental nurses, enabling them to enhance their development and build specialist skills. During the last 3 months, 187 of our nurses have accessed our post qualification courses.

In order to support our clinicians and practice teams we have regional teams of field based and support centre managers. To support

their development we have introduced a management development programme which is a blended solution of online learning modules, self-teach guides and workshops. To date, all 45 of our Area Development Managers are working through the programme and 115 of our Practice Managers have attended workshops across the UK.

In addition, this year we took part in the national campaign for learning - Learning at Work Week. The purpose of the campaign is to raise awareness of learning and development options and opportunities and to make learning accessible to everyone.

Our people responded really positively to the campaign. They took in a range of learning activities, throughout

the week. Activities ranged from online webinars to improve IT skills, to lunch and learn sessions and a reciprocal job share scheme, introduced to enable people to learn about roles within our business and build stronger relationships.

The dental Academy continues to work closely with the business to provide learning and development solutions which ensure that we can perform to the best of our abilities. The aim is to provide learning pathways which facilitate career development for all our people. Opportunities also exist for our people interested in being part of the academy development team with internal clinicians already delivering and supporting development.

**DURING THE LAST 3 MONTHS,
187 OF OUR NURSES HAVE
ACCESSED OUR POST
QUALIFICATION COURSES.**

investing in safety, quality and compliance

Our Group is committed to ensuring the highest standards across all areas of our business and for all our patients, clinicians and employees.

We are committed to ensuring that the professional registrations of all clinical staff remain current for the duration of their contract, both for performers from the UK and overseas; that these are kept up-to-date and valid; and all performers who deliver NHS Dental Services are registered with the General Dental Council.

Each practice has a nominated Clinical Director and Clinical Support Manager who visits the practice in a supervisory

'Great Place to Work' survey we have improved this clinical support with the introduction of 3 new Clinical Directors and over 30 new Clinical Support Managers. Their primary role is to support clinicians in delivering the very best care possible for our patients.

It is important to us to ensure our patients receive the same experience regardless of which of our practices they attend. To date we have invested over £11.8m to ensure our practices have the correct facilities and equipment to operate the quality clinical standards expected.

All of our practices in England are registered with the Care Quality Commission (CQC).

A POSITIVE HEALTH AND SAFETY CULTURE IS THE GOLDEN THREAD RUNNING THROUGH THE BUSINESS

and mentorship capacity. Quarterly Vital Signs Reports are reviewed for each practice and these help us ensure our clinicians are providing the best possible service. As a result of feedback from our

which monitors a range of regulations to ensure the standards of quality and safety of our patients care is what they have a right to expect. We are pleased to report that our overall CQC compliance

rating for the year was 99% of practices compliant within the Group.

With a strong Health and Safety focus throughout the Group, we work closely with the Royal Society for Prevention of Accidents (RoSPA), commissioning its Quality Safety Assessment (QSA) management system audit. This process helps ensure measurable standards of performance are being constantly improved and maintained throughout the business.

A positive health and safety culture is the golden thread running through the business. It is given strong leadership and direction from the Board and this is cascaded down throughout the organisation. The business has continued the downward trend in reported overall incidence rates of accidents over the last 12 months.

Ongoing improvements to the health and safety management system help ensure high standards of compliance are being maintained.

The recent review of the

company Health and Safety Policy ensures relevance with business activity and up to date health and safety legislation.

Following an organisational risk profiling exercise the Health and Safety team have proactively engaged all Practice Managers with Fire Safety awareness training. This helps ensure staff have a full understanding of fire safety management at their respective sites.

Further evidence of our commitment to training and enhancement of staff competency is demonstrated by the requirements included in the newly created role with the Practice Services business of Area Development Manager (ADM). All our ADM's receive accredited IOSH Managing Safely training as part of their induction.



recognising our corporate responsibility

People

We put our people at the heart of all that we do, recognising the need not only to provide our people with the chance to improve their technical skills but by making this a great place to work. Over the last 12 months we have moved forward with this launching our "Great Place to Work" survey asking our people what they want to see happen in their business and within the practices. The feedback has been very positive; it is clear that our people care passionately about their patients and are keen to ensure improvements in the physical environment of our practices and in the choice of treatments we can offer patients.

Our Patient Services division has undertaken a review of the benefits we provide our employees and has introduced additional benefits including life insurance for all our employees, and a health advice scheme MYHealthPortal which provides a range of health benefits, for them and their families as well as providing a confidential advice line providing counselling services and legal advice services.

Business ethics

Our Group is committed to maintaining a culture of openness, trust and integrity and expect our employees, clinicians, partners, suppliers and shareholders to behave in a similar manner. We act in strict compliance with the law and according to the highest standard of ethics, professionalism and business conduct. We endeavour to ensure our decision-making processes are fair and transparent. To support this we operate an "open door" approach welcoming all suggestions and concerns from employees. A formal Whistleblowing policy that defines a framework for staff to report malpractice without fear of victimisation is also in place.

Volunteering

We have once again focused our employee volunteering on improving dental care in the developing world. Almost three quarters of the world's population have no access to simple dental pain relief. Following the success of previous volunteers in September 2013, two more of our clinicians, Anna Smith



and Jigme Tsering, travelled to Tanzania as members of a 19 strong group of volunteers, to work in remote rural clinics to support the development of the skills of Clinical Officers so that they can deliver basic dental services to the community.

Anna says of her experience *"The trip was both fulfilling and exhausting, whilst training the 12 health care workers, we also managed to treat over 1,800 patients and extract close to 2,000 teeth. Throughout the ten day period, it was incredibly rewarding to watch the health workers develop in both skill and confidence."*

To support this cause further, we have again this year donated £10,000 to Bridge2Aid to help them to carry on their campaign to increase access to pain relief in the developing world.

Later this year a further two IDH clinicians will be involved in the volunteer scheme, with Sanna Kader, and Kostadin Todorov leaving for Tanzania in October.

Charitable Giving

We, for many years worked with, and raised significant amounts for various charities through a wide range of fundraising events and the generosity of our team.



We are now proud to be working with our new employee Charity partner, Children with Cancer. All practices and Support Centre staff will raise money for this commendable charity. Charity launch packs have

been distributed to Practices and the Support Centre, with exciting ideas on how our people can work to raise funds and improve the lives of those affected by childhood cancers. To date we have raised over £12,000 since October 2012.

The Charity committee based at the Support Centre organise and deliver a range of events, including: Cake Bakes, Halloween 'trick or treat' day, Christmas jumper day, New Year '206 mile' cycling challenge and book events.

Practice teams are encouraged and supported to fundraise with their teams. Team achievements include: completing the Manchester 10k run, Boxing Day Dip and even shaving hair to make children's wigs.

Through fundraising activities across the Group, our people will help the charity to carry out lifesaving research, welfare projects and awareness campaigns. In collaboration with Children with Cancer UK, we will also be raising awareness of the signs and symptoms of oral cancer, a cause which sits particularly close to our hearts.

Environmental Sustainability

The Group is committed to leading the dental industry in minimising the impact of its activities on the environment. We have established an Environmental Steering Committee, comprising

of representatives from across the business. This acts as a forum to monitor green initiatives taking place throughout the business, and to discuss plans to improve our environmental credentials in the future.

The Environmental Steering Committee works to ensure we comply with the group wide Environmental Policy Statement, supported by our board of directors. It highlights the importance of behaving in an environmentally responsible fashion, and outlines how we will promote and maintain our green initiatives. In the last twelve months a series of campaigns, policies and procedures have been launched to minimise waste and to ensure that across the business everyone understands the role they have to play in reducing the impact of the business on the environment, with the focus being on reusing, recycling and reducing waste.

We have partnered with a leading waste management company to ensure that we comply fully with our responsibilities and can monitor clinical and hazardous waste streams completely from collection to processing and disposal in accordance with UK Hazardous Waste Regulations. Every site is registered with the Environment Agency as a producer of hazardous waste

and all waste streams are consigned in accordance with the European Waste Catalogue (EWC 2002).

We are continuing to drastically reduce the amount of outbound surface mail through an increased use of SMS and email technology to communicate with patients. This reduces requirements for paper and will reduce the carbon footprint of the organisation in terms of mail delivery.

We are working with our energy provider to install Smart Meters at the majority of IDH practices. This allows us to monitor our energy consumption effectively and to also ensure accurate billing. This project is well underway with a total of 472 of our sites being equipped with Smart Meters.

In addition, we are looking to increase our usage of energy from renewable sources where commercially feasible in procurement tender exercises.

As a Group, we are working closely to help reduce our water consumption across our estate, by identifying and investigating our sites with high water usage. Upcoming plans are in place to send out site communications to ask for support with this project, behavioural changes will hopefully have a positive environmental impact that can be both adopted in the

work place and in our home lives.

A pilot project is now underway to install low energy lighting across our estate enhancing the lighting provision through the introduction of LED lighting, which will improve the environment for our people and our patients whilst also reducing the Group's carbon footprint. If the pilot is successful we intend to roll out LED lighting across all our practices. As well as reducing the amount of electricity required, the new lighting is environmentally much safer, as the LEDs are made from non-toxic materials, unlike fluorescents which contain Mercury. LED products are lead and mercury-free, which contribute to environmental sustainability.

market overview

According to Laing & Buisson, the dental market in the United Kingdom generated £3.6 billion in spending on NHS dentistry services and £2.2 billion in spending on private dentistry services, in each case in the twelve months ended 31 March 2014. The NHS funding of NHS dentistry services represents less than 3% of the overall UK Government health expenditure on the NHS.

The primary care dentistry market has seen significant growth, with overall spending increasing by a compound annual growth rate of approximately 5% in nominal terms between the twelve months ended 31 March 1998 and the twelve months ended 31 March 2013.

We believe that the Group is well placed to benefit from the government's focus on dentistry and IDH continues to work with the NHS to improve access and quality of care. As the largest provider of dental services, we have streamlined our central services, ensuring we are able to provide the quality of care together with the economies of scale and

IDH IS FOCUSED ON BUILDING CAPABILITY TO DELIVER EXCELLENCE IN PATIENT CARE ACROSS BOTH NHS AND PRIVATE MARKETS

efficiencies sought by the NHS. We continue to work tirelessly to deliver our NHS contracts and promote access to NHS services.

The NHS is continuing with the pilot scheme for the proposed new NHS dental contract. Seven of our practices are involved with the pilot schemes, the results of which show that where patients are treated under the pilot scheme, they become much more engaged in their own oral health and the part they can play in improving their overall health.

Moving forward, we are planning to ensure that we can continue to deliver the same high quality of care that our patients expect, regardless of any changes made to the dental contract. The teams working in these seven practices are adapting to the fundamentally different ways of working. The provision of initial oral assessments, recording of full patient history and generation

of individual care plans has resulted in dentists spending more time with patients, with some knock-on effects for waiting times. However, over time we are seeing reductions in these waiting times. We will continue to work with the NHS to help to design a strong framework for NHS dentistry focused on improved patient quality, experience and treatment outcomes.

Dentistry is a vital part of the NHS and we are pleased that the Government has recognised some of the challenges which NHS efficiency savings and structural changes will have on the provision of excellent patient care services.

We remain focused on building capability to deliver excellence in patient care across both the NHS and private markets, whilst recognising that diverse opportunities exist for the provision of additional primary care services in the future.

summary of financial performance

A summary of IDH's financial performance together with the Key Performance Indicators (KPIs) both financial and non-financial are set out in the table below. These KPIs are fundamental to the IDH business and reflect focus on the drivers of value that will enable and inform the management team to achieve the IDH business plans, strategic aims and objectives.

FINANCIAL KPIs

Year ended 31 March	2014		2013	
	£m	% revenue	£m	% revenue
NHS turnover	346	84.9%	305	87.5%
Private turnover	54	13.4%	44	12.5%
Other turnover	8	1.7%	-	0.0%
Total turnover	408	100.0%	349	100.0%
Gross profit	197	48.3%	165	47.4%
EBITDA before exceptional items	68	16.6%	56	16.1%
Operating profit	19	4.6%	14	4.2%
Net bank and bond debt	409		288	
Net cash inflow from operating activities	55		54	
Net cash inflow after returns on investment & servicing of finance (excluding issue costs of £15m in 2014)	29		34	

1. UDA – Units of Dental Activity, measures set by the LAT as part of the contract terms.
2. UOA – Units of Orthodontic Activity, measures set by the LAT as part of the contract terms.
3. Employees – excluding self-employed dentists.
4. Administrative expenses as a percentage of turnover excludes depreciation, amortisation and exceptional items.

Year ended 31 March	2014	2013
Like-for-like private turnover growth	8.6%	2.8%
£/UDA annual contract uplift	1.5%	0.5%
Administrative expenses as a percentage of turnover	32.0%	31.8%
Number of practices	585	532
Employees (average number)	5,622	4,931
UDA delivery (% of total contract)	96.7%	96.0%
Total UDAs delivered (million)	12.3	10.6
Total UOAs delivered (million)	0.4	0.3

With regards to net debt, management defines this as all external bank debt and therefore this excludes shareholder loan notes and preference shares. The closing net external bank and bond debt as at 31 March 2014 was as follows:

EXTERNAL BANK AND BOND DEBT

Year ended 31 March	2014 £m	2013 £m
Senior secured fixed rate notes	200.0	-
Floating rate notes	125.0	-
Second lien notes	75.0	-
Super senior revolving credit facility	22.0	-
Senior bank loans	-	235.5
Capital expenditure / acquisition facility	-	68.5
Cash at bank	(7.0)	(42.5)
	415.0	261.5

The Group reported its financial performance each quarter during the year ended 31 March 2014 with the publication for its bondholders of quarterly financial statements and an investor conference call. There are no on-going quarterly covenant measures that require compliance reports for the fixed or floating rate notes.

The covenant requirements of the SSRCF require quarterly reporting to the banking group, in line with the information provided to bondholders, but also include one reporting covenant that measures amounts drawn under the SSRCF in relation to earnings before interest, depreciation, amortisation and exceptional items ("EBITDA").

The covenant was passed with ample headroom each quarter.

A more detailed review of our financial performance, as well as details of the principal risks and uncertainties are set out in the statutory accounts of Turnstone Equity 1 Limited, the holding company for IDH, and are available on our website.

At the year end, the Group had significant additional facilities to support the future growth of the business including £76.2m undrawn against the £100.0m super senior revolving credit facility ("SSRCF").

Post balance sheet events

On 9 May 2014, the Group successfully raised a further £100.0m through the issue of additional senior secured floating rate notes by IDH Finance plc. These notes have been listed onto the Global Exchange Market of the Irish Stock Exchange, alongside the Group's existing notes.

The proceeds were used to repay the Group's existing borrowings against the SSRCF and for general corporate purposes. The £100.0m SSRCF facility remains available to support the continued and future growth of the business and expires in May 2018.

Following this issue, the Group's external debt excluding shareholder loans and preference shares now comprises:

- £200.0m of 6% Senior Secured Fixed Rate Notes, due for repayment in 2018
- £225.0m of Senior Secured Floating Rate Notes at LIBOR plus 5%, due for repayment in 2018
- £75.0m of 8.5% Second Lien Notes, due for repayment in 2019; and
- £100.0m SSRCF, expiring in May 2018

board of directors and key operational managers



PAUL PINDAR
NON-EXECUTIVE CHAIRMAN

Paul joined our Board in July 2012 as non-executive Chairman. In February 2014, he retired as the Chief Executive Officer of Capita plc, a leader in business process management and outsourcing solutions in the United Kingdom. From 2004 to 2007, he was Chairman of the Corporate Development Board of the National Society for the Prevention of Cruelty to Children. From 2006 to 2010 he was non-Executive Director of the retailer Debenhams plc. Paul is currently a member of the Senior Advisory Board of TowerBrook Capital Partners and Chairman of Independent Clinician Services and Investment.



TERRY SCICLUNA
CHIEF EXECUTIVE

Terry is the Chief Executive Officer of Integrated Dental Holdings. His appointment became effective and he was appointed to our Board in November 2013. He has nearly 35 years of UK healthcare and retail experience. Prior to joining Integrated Dental Holdings, Terry spent nine years with Alliance Boots where he held various senior positions, including from 2010 to 2013 as International Managing Director responsible for all Boots stores and brands outside of the United Kingdom with turnover of £2 billion. He was Managing Director of UniChem for Alliance Boots from 2007 to 2008, and was Chief Operating Officer of Alliance Boots and Deputy Managing Director of its Alliance Pharmacy from 2002 to 2007. Terry was also Chief Operating Officer of the GAME Group from 2008 to 2010.



MARK ROBSON
CHIEF FINANCIAL OFFICER

Mark Robson joined Integrated Dental Holdings in February 2012 and he was appointed to the Turnstone Equityco 1 Limited Board in July 2012. Mark is a qualified chartered accountant with extensive experience in the consumer and leisure retail sectors including public and private equity owned entities. He has previously held CFO roles at Thorntons PLC (confectionary retailing and production), Somerfield Limited (food retail), SFI Holdings Limited (pub and bar chain), Claire's Accessories (UK) Limited (children's fashion) and Alldays PLC, the convenience store group.



ERIC KUMP
NON-EXECUTIVE DIRECTOR,
THE CARLYLE GROUP

Eric Kump joined Carlyle in 2010 as a Managing Director with responsibility for coverage of the UK market with over 17 years of private equity experience. Prior to joining Carlyle, Eric was a Managing Director and head of the London based Private Equity team of Dubai International Capital ("DIC"). While at DIC he was on the board of investments including Alliance Medical, Almatix, Travelodge, Mauser Group and Merlin Entertainments Group. Prior to that, he was a Managing Director with Merrill Lynch Global Private Equity ("MLGPE") where he was a member of the investment committee and a Director of numerous portfolio companies. While at MLGPE, he focused on investments across a range of industries including healthcare, consumer, distribution, industrial and financial services.



ALEX STIRLING
NON-EXECUTIVE DIRECTOR,
THE CARLYLE GROUP

Alex is a Director in Carlyle's European buyout team, with a particular focus on business and consumer services sectors. Prior to joining Carlyle, Alex was an Investment Director with Apax Partners and PPM Capital. Alex is a member of the Board of Directors of Turnstone Equityco 1 Limited and is, or has previously been, a Board Member or Observer of the RAC, NBTY Europe, Orizonia, Focus Wickes, PCM Uitgevers and Promethean. He received an MBA from Harvard Business School and a BA from Cambridge University.



LOUIS G. ELSON
NON-EXECUTIVE DIRECTOR,
PALAMON CAPITAL PARTNERS

Louis has been active in European private equity for more than two decades, previously as a London-based partner of Warburg Pincus. Louis attended Phillips Academy Andover and Eton College, and he received a BA with Honors from Harvard University. He serves as a charter trustee of Phillips Academy Andover and was previously a member of the Harvard University Task Force on Academic Resources. In London, he is vice-chairman of Impetus-PEF; the UK's leading venture philanthropy organization. He serves on the Development Board of The Prince's Trust, the International Development Council of the British Film Institute and is a trustee of The Voices Foundation and The Education Endowment Foundation. He was previously a member of the board of the British Venture Capital Association. He is a Fellow of the Royal Society of Arts and a long standing member of The Pilgrims.



JEAN BONNAVION
NON-EXECUTIVE DIRECTOR,
PALAMON CAPITAL PARTNERS

Jean is a Principal at Palamon Capital Partners. Jean has served as an observer or member of the Board for many Palamon investments including Turnstone Equityco 1 Limited, Towry, SAV Credit and Nordax. Prior to joining Palamon in 2005, Jean spent eight years working in management consulting for Bain & Company in Paris and London. He also worked for the French Railways in London for two years as part of the Eurostar marketing team. Jean graduated from ESSEC in Paris and holds an MBA from Harvard Business School.



ANNETTE SPINDLER CHIEF OPERATING OFFICER

Annette is the Chief Operating Officer of Integrated Dental Holdings. Her appointment became effective in April 2014. She has a wealth of experience within the retail and pharmacy sectors. She was previously Marketing Director of Lloyds Pharmacy, part of parent company Celesio AG, Managing Director of Scholl Retail which included Podiatry clinics (previously owned by Alliance pharmacy), Marketing Director of Alliance Pharmacy (part of Alliance Boots), Sales, Marketing & Property Director at Brantano Footwear (including international—Middle East).



STEVE WILLIAMS CLINICAL SERVICES DIRECTOR

Steve qualified as a dental surgeon in 1992 from Manchester University. After an initial period in NHS and private practice, Steve joined IDH in 2004 and has held a series of roles including Clinical Director, Regional Manager and Director of Clinical Services. In May 2011, he was appointed to the Board of IDH as Clinical Services Director. In this role he leads the clinical, and health and safety teams in ensuring the best clinical and safety governance regimes are embedded throughout the whole organisation with a focus on improving quality. He manages relationships with both local and central government organisations to ensure protection of existing contracts as well as securing new opportunities.



DEB LEE GROWTH AND ACQUISITIONS DIRECTOR

Deb Lee joined IDH in 2012 and is responsible for the development of its acquisitions and business strategy. Prior to joining IDH, she was the head of global sales for HCL and she worked for Capita PLC in its Big Ticket Group Sales Division where she was responsible for delivering a major joint venture between the public and private sector delivering better outcomes for citizens. Prior to this her career focussed on economic and community development supporting SMEs to venture into new geographic markets and developing online services and products.

Integrated Dental Holdings Limited trading as My Dentist.
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