



Provet Holdings Limited

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9th April 2009

Dear Shareholder,

I am writing to you on behalf of the Board to provide you with information on our half year results, interim dividend, including the Dividend Reinvestment Plan (DRP) and update you on the business activity of Provet in the current economic environment.

Review and Results of Operations First Half FY 2009

The financial results for the half year ending 31 December 2008 show solid sales growth over the prior half year period ending December 2007 and a total net profit before tax (NPBT) result of \$2,826,651 (2007: \$4,115,720). The NPBT before the effects of foreign exchange impacts for the reporting period is lower than the same period last year by 28%.

Our core wholesale business results have met management's expectations. There has been a 10% growth in sales (9% after adjusting out sales for Provet NT acquired by the group in January 2008) and we are continuing to increase our market share in both Australia and New Zealand. Core wholesale NPBT and before the impact of foreign exchange, is behind the half year to December 07 results by 8% (11% after adjusting the results for Provet NT profit).

A large reason for this lower overall profit result is due to the write off \$282,000 (net of tax) being the costs associated with preparing the company for an initial public offering (IPO) which could no longer be carried forward as capitalised items, given the Board's decision not to complete an IPO in the current market. Also influencing this result, is a lower profitability of our non-core IT business units which have been impacted by the economy as veterinarians defer upgrading IT software and other non-core spending.

The Board and management are currently implementing plans to reduce the costs of doing business across all our operations and assessing opportunities to further drive the potential of our market differentiation and new value added business units.

Provet Group of Companies

Provet Holdings Ltd

Provet Pty Ltd

- AIRC/CCG

- Provet NT

Provet Queensland Pty Ltd

- Provet Nth Queensland

Provet VMS Pty Ltd

Provet (NSW) Pty Ltd

Provet IT Pty Ltd

Provet SA Pty Ltd

Provet Riverina Pty Ltd

Provet WA Pty Ltd

Provet Victoria Pty Ltd

Provet NZ Pty Ltd

- VisionVPM



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Interim Dividend

In the current economic circumstances your directors have decided to be prudent and pay a fully franked interim dividend of 5 cents, with a record date of the 5th May and payment date of 25th May 2009. As for the final dividend last year, the DRP will be applicable to this interim dividend.

For those that are already participating and for those that may wish to participate, the relevant details of the DRP as they apply to this interim dividend have now been set by the Board. The market price has been set at \$6.32, based on the plans stated formula being the average of the last 5 arms-length transactions prior to the Board meeting. A discount of 10% will apply for participants which will mean that the DRP conversion price is \$5.69. A number of directors will be participating in the DRP and the Board encourages those that are not already part of the DRP to give due consideration to participating in the plan. Should you wish to do so, a Reinvestment Plan Application or Variation form is included along with a reply paid envelope, please note the form needs to be submitted to Link Market Services before 5th May record date. A copy of the full DRP document which includes frequently asked questions is available at www.provet.com.au.

Current Business Activity

Up until the end of February 2009, the performance of our core wholesaling business has been better than expected and sales continue to be better than the prior year. We are also pleased to report that in May 2009, we will be releasing a pet insurance product (Prosure) to the animal owners of Australia.



Yours sincerely,

A handwritten signature in black ink, appearing to read 'Garth McGilvray', written in a cursive style.

Garth McGilvray
Chairman
Provet Group of Companies