

Passionate about Pets



Greencross Vets

10 August 2011

GREENCROSS LIMITED (ASX: GXL) Announcement Greencross to acquire majority interest in Wollongong Veterinary Hospital Group

Australia's largest veterinary group Greencross Limited ('Greencross' or 'The Company') is pleased to announce that it has completed the acquisition of a majority share in the Wollongong Veterinary Hospital Group ('WVH Group') for \$2,715,175. The transaction is effective as of today, the 10th of August 2011 and will be funded from existing cash and from existing CBA debt facilities.

The WVH Group is located in Wollongong, New South Wales and comprises the following four veterinary clinics:

1. Wollongong Veterinary Hospital;
2. Fairy Meadow Veterinary Hospital;
3. Woonona- Bulli branch of the Wollongong Veterinary Hospital Group;
4. Warrilla- Shell Cove Veterinary Hospital

The four practice portfolio includes the Fairy Meadow Veterinary Hospital ('Fairy Meadow') which is a purpose built, state of the art veterinary hospital that was completed and opened in May 2011. The WVH Group took an existing practice (The Corrimal Veterinary Hospital) and moved it into this new 600sqm facility. The newly merged clinic is already attracting a strong client base and is expected to grow rapidly over the next 5 years.

Greencross has acquired 58% of the shares in the entity who owns the business assets of WVH Group, Greencross Vets South Coast Pty Ltd. The remaining 42% will be owned by four key staff members of the group who have also entered into long-term employment contracts.

Greencross' share of the acquisition is forecast to deliver annualised revenue and EBIT of \$2.443m and \$0.545m respectively, and the acquisition is expected to be earnings per share accretive in the 2012 fiscal year.

Managing Director, Glen Richards said "this is the second of the 'strategic Regional Joint Ventures' that Greencross has entered into. The vendors of the WVH Group have established a highly credible reputation within the veterinary industry over the last 35 years and I am pleased to have them join Greencross. They also bring with them extensive local knowledge, four high quality veterinary clinics and a highly skilled and dedicated veterinary team. I look forward to working with the WHV Group to help expand the group's presence in the Wollongong and surrounding areas."

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ABOUT GREENCROSS

Greencross was established in 2003 and has grown to become Australia's leading veterinary services company through the acquisition and integration of 64 practices around Australia.

Greencross's strategy is to continue to consolidate the fragmented veterinary services industry in Australia and is focused on delivering exceptional veterinary medicine and levels of care to its patients. The company's vision is to be the practice of choice for employees, clients, patients and shareholders.

For further information please contact:

Glen Richards

Managing Director, Greencross Limited Phone: (07) 3435 3535