Investor Presentation

September 2011

Disclaimer

Although Greencross Limited ("GXL") has made every effort to ensure the accuracy of information contained in this presentation, GXL makes no representations as to, and takes no responsibility for, the accuracy, reliability or completeness of the information contained in this presentation and disclaims all liability that may otherwise arise due to any information contained in this presentation being inaccurate, misleading or deceptive, except to the extent that liability cannot be lawfully excluded.

The material contained in this presentation is for information purposes only and does not constitute financial product advice. The information contained in this presentation has been prepared without taking into account the investment objectives, financial situation or particular needs of any particular person. Before making any investment decision, you should consider, with or without the assistance of a financial adviser, whether an investment is appropriate in light of your particular investment needs, objectives and financial circumstances. Any views expressed in this presentation are those of the individual presenter, except where specifically stated to be endorsed as the views of Greencross Limited.

Investment Summary

- Largest provider of veterinary services in Australia with 66 animal hospitals and clinics
- First mover in the highly fragmented veterinary services industry – 1,921 enterprises nationally with 2,633 establishments
- Management and board with a proven track record in aggregation and multi-practice ownership
- Significant benefits from consolidation (e.g. group buying power, management, marketing and operational leverage)
- Resilient earnings profile and strong cash flow generation
- Demographic shift favours acquisition strategy – demand for practice ownership is diminishing v the need for succession strategies for existing practice owners
- Industry turnover of $2.4bn – Annual growth 2006- 2011 of 3.9% with an estimated growth rate of 4.5% between 2011-2016[1]

[1] IBISWorld 08640 – April 2011

FY2011 – GXL Highlights

- Increase of 23 new practices during the 12 month period 1 August 2010 to 31 July 2011 to 65 practices. This is an increase in practice numbers of 55%, full earnings impact is yet to flow through to the reported numbers of the Company
- Revenue growth of 23.2% to $61.1m, with organic revenue growth of 2.2% and the balance from acquired practices during FY11
- Underlying EBITDA growth of 35.0% to $8.6m, with organic EBITDA growth of 6.7% and the balance from acquired practices during FY11
- NPAT growth of 32.8% to $3.7m
- Final dividend of 3cps, fully franked, bringing the total dividend paid for FY11 to 6cps – this is in line with the Company's dividend policy being 50% dividend payout ratio
- Corporate Support office developed over the last two years to assist in increasing practice numbers to 100+
- Strong acquisitions pipeline established through the industry focused 'Greencross awareness' marketing campaign. Appointment of a full time Acquisitions Manager to improve the processing and integration of acquisitions

FY2011 – Results Summary

Twelve Months Ended 30 June 2011	Amount	Change
Revenue	$61.1m	23.2%
EBITDA – underlying*	$8.6m	35.0%
NPAT – underlying	$3.7m	32.8%
EPS – underlying	13.0 cps	11.6%
NPAT – reported	$3.5m	25.7%
EPS - reported	12.1cps	5.6%
Dividends	6.0cps	140.0%
Weighted Average Shares On Issue	28.47m	19.0%

Note: GXL raised $3.0m via an SPP and placement to institutional and high net worth investors in July 2010

**Underlying NPAT & EPS excludes non-recurring costs of $0.25m (post-tax) which relate to a one-off marketing spend, discontinued operations and debt refinancing charges.*

FY2011 – Results Summary Cont'd

Twelve Months Ended 30 June 2011	FY11	FY10
Operating cashflow	$6.1m	$3.7m
Net debt	$17.6m	$14.2m
Net debt / equity	58.0%	56.2%
Dividend per share	6.0cps	2.5cps
Dividend payout ratio*	50.0%	-

**The company has a stated dividend payout ratio of 50% of earnings*

Outlook

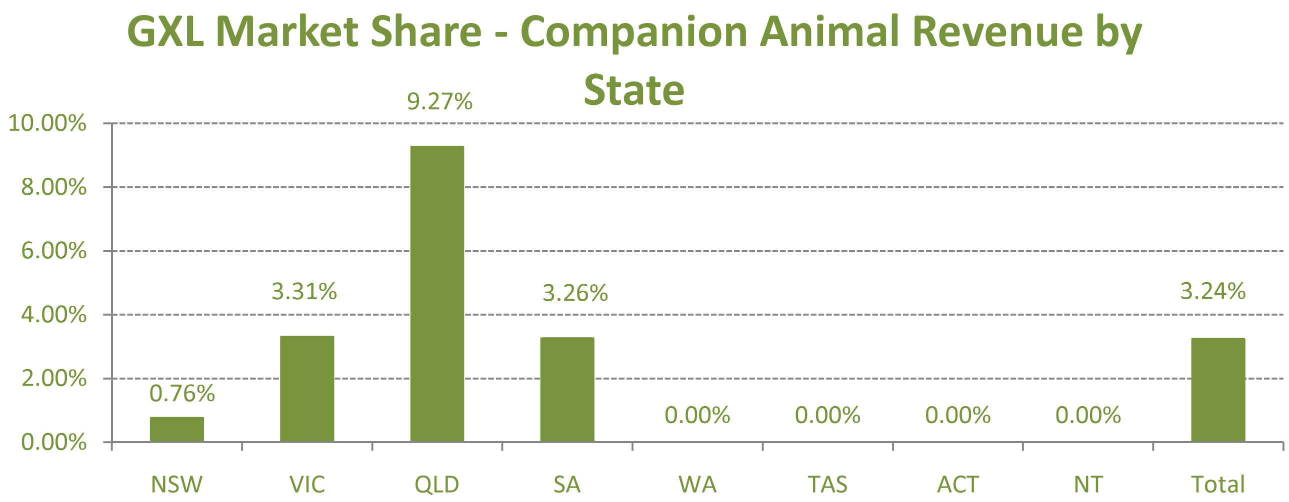
- FY12 EPS is expected to increase on PCP by at least 15%
- Fully franked dividends paid for the full year ended 30 June 2012 expected to be no less than 7.0cps – represents a return of 9.1% fully franked based on a share price of $1.10 per share
- Acquisition pipeline healthy – GXL will continue to target on average 12 practice acquisitions per year
- Serviceability of debt remains comfortable with support continuing from the Company's financiers, the CBA
- Net debt/equity in the low to mid of the Company's short term preferred band of 55% to 65%

Appendices

Appendix 1 – Overview of Greencross

- Over 156,000 active patients visiting 220,000 times per year
- Over 200 Veterinarians and 500 Nurses and support team members
- Focus on education in the veterinary workplace including internal programs and workshops for Veterinarians and Nurses as well as certificate II & IV in veterinary nursing and certificate IV in frontline management, and on-line webinars.
- Integrated and 'industry relevant' model to attract and retain industry professionals and graduates – currently 83% female
- Ability to leverage client visitations with cross referrals into full service hospitals, specialist and emergency centers
- Greencross branding reflects 'best practice' accreditation of veterinary practices

Appendix 1 – Overview of Greencross cont'd



- Greencross operates 66 veterinary practices along the eastern seaboard – consisting of 6 Emergency Practices, 2 Specialty Practice and 58 General Practices. All practices are companion / small animal practices.

- Greencross has a 2.6% market share of the Veterinary Services Industry in Australia, while within the companion animal market Greencross has grown its share to 3.2%.

- Greencross has a 9.3% market share of companion animal revenue in Queensland. In the bigger pet markets of NSW and VIC, Greencross' market share of companion animal revenue is only 0.8% and 3.3% respectively.

Appendix 1 – Overview of Greencross cont'd

Location	Practices	Specialty/Emergency Centres
Townsville	5 general practices	
Brisbane	14 general practices	1 emergency centre
Gold Coast	12 general practices	1 emergency centre
Toowoomba	2 general practices	
Sunshine Coast	2 general practices	
NSW Central Coast	4 general practices	
Sydney	4 general practices	
Wollongong	4 general practices	
Melbourne	11 general practices	3 emergency centres 1 specialty centre
Adelaide	0 general practices	1 specialty centre 1 emergency centre

Appendix 2 – Overview of Industry

- Industry remains fragmented with 2,633 practice locations and 1,921 businesses[1]
- Industry turnover in the year to 30 June 2011 was forecasted to be $2.47bn[1]
- Average annualised real growth rate estimated at 4.5% over the next 5 years to 30 June 2016[1]
- Companion animal income represented 79% of total expected turnover in 2010-2011 averaging 4.8% growth[1]
- 63% of households own a pet with 53% of households owning a dog or cat[1]
- Competition in the industry is low[1], level of regulation is heavy, capital intensity is low and barriers to entry are high[1]
- 350 veterinary graduates per year recently increased to 550 graduates per year

[1] IBISWorld 08640 – April 2011

Appendix 2 – Overview of Industry cont'd

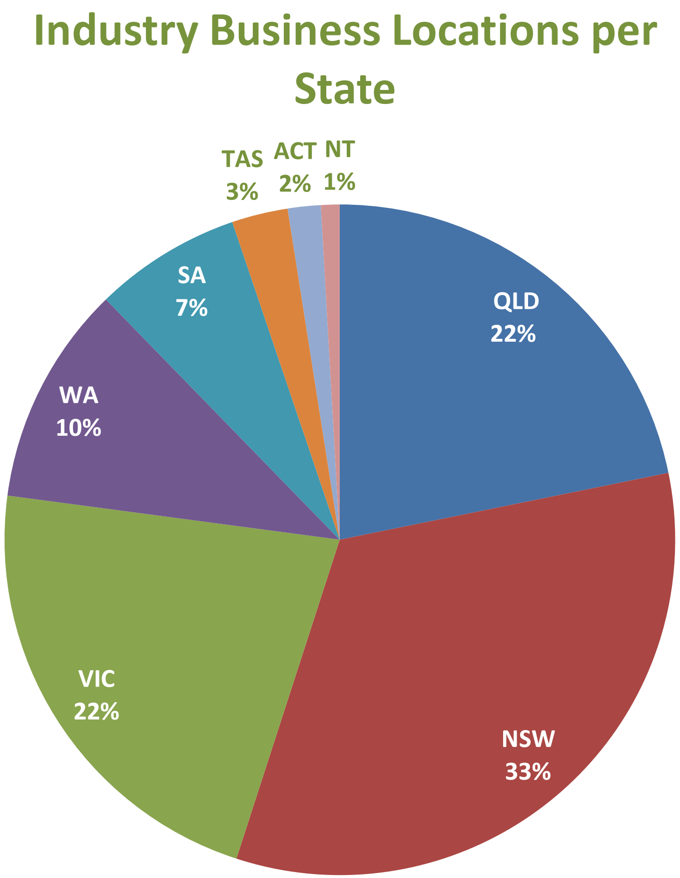
1970's	2011
90% male vets	50% female vets, with 83% female graduates
Male vets desiring practice ownership	Current graduates little desire for practice ownership
Simple procedures with low technology	Advanced procedures with vets desiring highly technologically advanced equipment
Low barriers to entry	Relatively high barriers to entry[1]

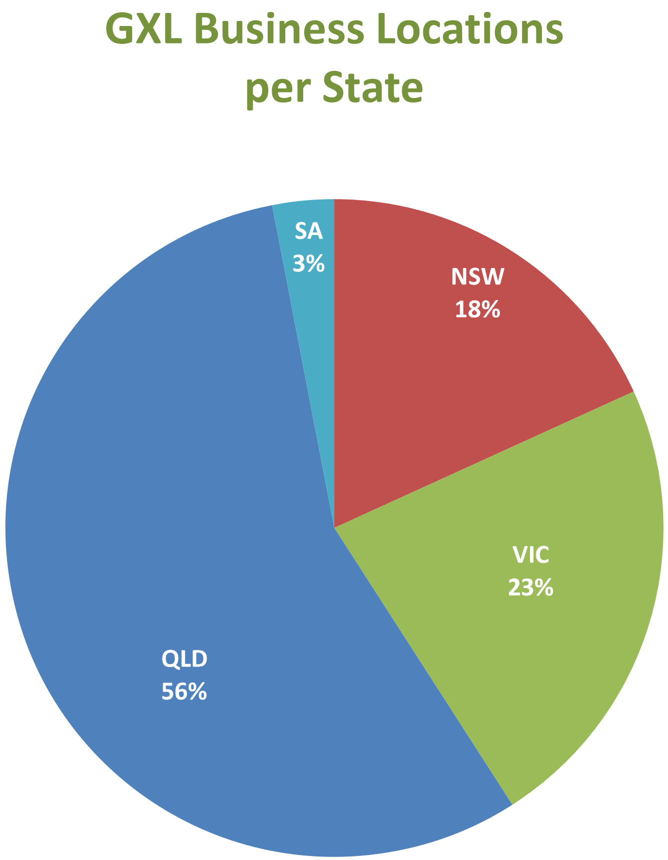
Greencross Model

- ✓ Aligned with a corporate model incorporating succession planning
- ✓ Technologically advanced superior patient care
- ✓ Veterinary professional personal advancement through ongoing training and development
- ✓ Enables vets to work in a medically advanced environment without personal capital outlay

[1] IBISWorld 08640 – April 2011

Appendix 2 – Overview of Industry cont'd





Source: IBISWorld 08640 – April 2011

Greencross Vets

www.greencrossvet.com.au

Thank you