Investor Presentation

March 2012

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Investment Summary

- Largest provider of veterinary services in Australia with 73 animal hospitals and clinics focused primarily on companion animal care
- First mover in the highly fragmented veterinary services industry – 1,921 enterprises nationally with 2,633 establishments
- Management and board highly experienced and proven record in acquisitions, integrations, and the management of multi-site veterinary hospitals.
- Significant benefits from consolidation (e.g. group buying power, management, marketing, education programs and operational leverage)
- Resilient earnings profile and strong cash flow generation
- Demographic shift favours acquisition strategy – genuine need for succession strategies for existing practice owners versus diminishing desire for practice ownership by new industry entrants
- 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

1H12 Highlights

- Veterinary practice portfolio increased to 71 with the addition of 13 new practices during the 1H12 – current portfolio now increased to 73
- Revenue growth of 32.1% to $39.4m, was driven by acquisitions with organic revenue growth of 1% at the clinics level
- EBITDA growth of 31.6% to $5.76m, including organic EBITDA growth of 2% at a clinic level
- NPAT growth of 25.7% to $2.49m
- Interim dividend of 4cps (1H11 3cps), fully franked. This is in line with the Company's stated dividend policy being a payout ratio of 50% of earnings
- Corporate Support office and Senior Management team established to acquire and manage a portfolio of +100 veterinary practices
- Strong acquisitions pipeline continues, with a strategic focus on Brisbane, Sydney Melbourne and major regional centres

1H12 – Results Summary

Six Months Ended 31st December 2011	Amount	Change
Revenue	$39.4m	32.1%
EBITDA	$5.76m	31.6%
NPAT	$2.49m	25.7%
EPS	8.23cps	13.5%
Dividend	4.0cps	33.3%
Weighted Average Shares On Issue	30.26m	6.5%

1H12 – Results Summary

Six Months Ended 31st December 2011	FY12	Change
Operating cashflow	$4.48m	52.9%
Net debt	$22.5m	27.8%
Net debt / equity	67.8%	17%
Dividend payout ratio*	50%	

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

FY12 – Earnings Guidance

12 Months Ending 30th June 2012	Amount	Change
Revenue	\$81-\$83m	33-35%
EBITDA	\$11-12m	32-42%
NPAT	\$4.6-4.9m	31-40%
EPS	15-16cps	24-32%
Dividend	7.5-8cps	25-33%

Outlook

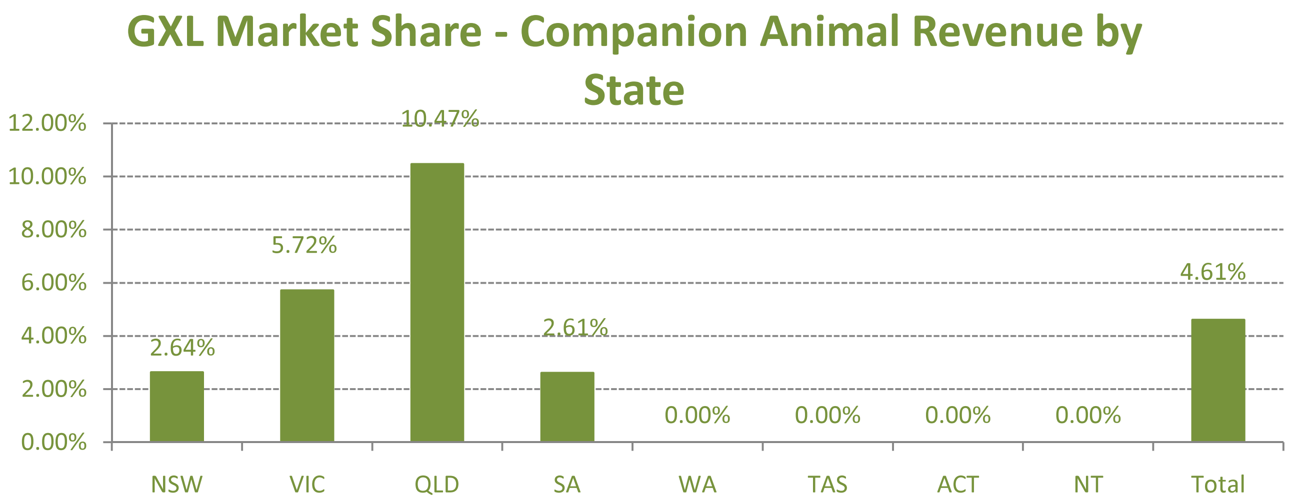
- 2H12 to benefit from significant acquisition activity during 1H12, despite earnings skew historically 55/45 1H/2H
- Acquisition pipeline healthy – GXL will continue to target on average 12 practice acquisitions per year on target EBITDA multiples of 3.5 to 4.5 times EBIT
- Ongoing acquisitions will help leverage established costs base and drive key return metrics
- Acquisitions continue to be funded via a mix of debt, vendor finance and free cash flow. Gearing to increase over the next 6 months then start to reduce as more acquisitions are funded through free cash and less debt
- Serviceability of debt remains comfortable with support continuing from the Company's financiers, the CBA

Appendices

Appendix 1 – Greencross overview

- Over 209,000 active patients with 248,000 primary visits per year
- Over 200 Veterinarians and 500 Nurses and support team members
- 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, Pet Centres of Excellence, and Specialty and Emergency centers
- Greencross branding reflects 'best practice' accreditation of veterinary practices
- Healthy Pets Plus subscription wellness plans hit the mark for passionate pet owners
- Significant focus on education in the veterinary workplace including internal programs and workshops for Veterinarians and Nurses

Appendix 1 – Greencross overview



- Greencross operates 73 veterinary practices along the eastern seaboard – consisting of 8 Emergency Practices, 2 Specialty Practice and 63 General Practices
- Greencross has a 3.64% market share of the Veterinary Services Industry in Australia, while specifically within the companion animal market Greencross has grown its share to 4.61%
- Greencross has a 10.47% 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 2.64% and 5.72% respectively

Appendix 1 – Greencross overview

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	1 emergency centre
Sunshine Coast	2 general practices	
NSW Central Coast	6 general practices	1 Emergency centre
Sydney	4 general practices	
Wollongong	4 general practices	
Melbourne & Victoria	14 general practices	3 emergency centres 1 specialty centre
Adelaide	0 general practices	1 specialty centre 1 emergency centre

Appendix 2 – Industry overview

- 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 – Industry overview

1970's	2012
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]

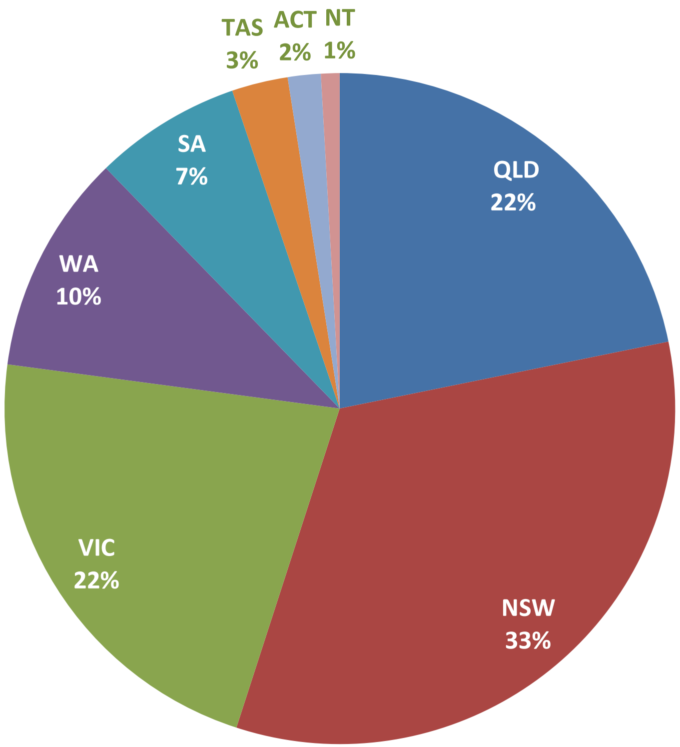
Greencross Model

- ✓ 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

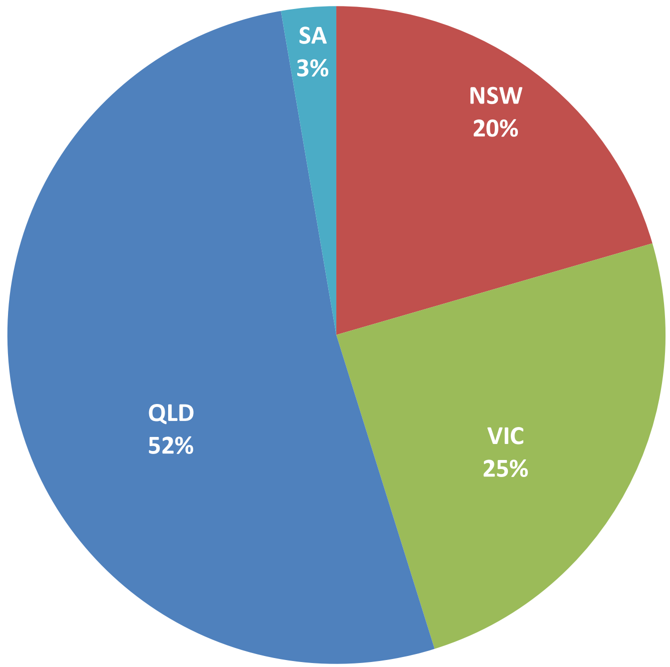
[1] IBISWorld 08640 – April 2011

Appendix 2 – Industry overview

Industry Business Locations per State



GXL Business Locations per State



Source: IBISWorld 08640 – April 2011

Greencross Vets

www.greencrossvet.com.au

Thank you