25 May 2012

GREENCROSS LIMITED (ASX: GXL) Announcement

Greencross to acquire two veterinary practices

Australia's largest veterinary group Greencross Limited ('Greencross' or 'The Company') is pleased to announce that it has entered into agreements to acquire the following veterinary businesses:

1. Woofpurnay Veterinary Hospital ('Narre Warren North'), Victoria; and
2. South Tamworth Animal Hospital ('Tamworth'), New South Wales.

Total cash consideration, including deferred payments, to be paid for the combined acquisitions equals $3,705,214. The practices are expected to deliver annualised revenue and EBIT of $5.953m and $0.885m respectively. The acquisitions are expected to be earnings per share accretive in the 2013 fiscal year. Both transactions are subject to deferred vendor payments with vendors deferring between 10% and 30% of the total consideration. The duration of the deferred vendor payments range between 2 to 3 years.

The Narre Warren North transaction is effective as of today the 25th of May 2012. The Tamworth acquisition is subject to finance and board approval and is expected to be effective no later than the 19th June 2012.

Both clinics are well established businesses that have all been in operation for over 10 years. All vendors have entered into employment agreements with Greencross ranging from 2 to 3 years in duration.

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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 76 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.

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