



18 February 2013

## GREENCROSS LIMITED (ASX: GXL) Announcement Share Placement and Acquisition

### Share Placement

Australia's largest veterinary group Greencross Limited ('Greencross' or 'The Company') is pleased to announce that it has successfully completed a Placement to institutional and sophisticated investors of 3.28 million shares at \$3.40 per share to raise \$11.164 million. Of this, approximately \$600k has been subscribed by interests associated with Directors and is subject to shareholders approval.

The share price for the Placement of \$3.40 represents an approximate discount of 8% to the 30-day volume weighted average price of the Greencross shares traded on the Australian Securities Exchange up to the close of trading on 12 February 2013.

The Placement, which was significantly oversubscribed, was strongly supported by existing institutional shareholders and many additional domestic and international institutional investors, which the Company is pleased to welcome as new shareholders of the Company.

Canaccord Genuity (Australia) acted as sole Lead Manager and Bookrunner for the Placement.

The Company confirms that it will continue to target the acquisition of 1 to 2 new clinics per month, on multiples of between 3 to 4.5 times EBIT, and that the Company will continue to fund these acquisitions through a mix of debt, free cash and vendor deferred payments. The funds raised from this placement will help assist with the Company's acquisition growth plans, while at the same time reducing the Company's gearing levels and introducing a number of domestic and international institutional investors to the shareholder register of the Company.

### Sydney Acquisition

The Company is also pleased to announce that it has entered into an agreement to acquire a very larger veterinary hospital located in Sydney.

Total cash consideration to be paid for this acquisition equals \$5 million. Funds from the Placement will be used to fund this acquisition.

The acquisition is expected to deliver annualised revenue and EBIT of \$5.4 million and \$1.1 million respectively. The acquisition is expected to be earnings per share accretive in the 2013 fiscal year.

This transaction is expected be completed on, or about, the 27<sup>th</sup> of February 2013 at which time further information about this acquisition will be made available.

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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 89 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:

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