

ASX/Media Release

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Monash IVF Group Acquires Fertility East business in Sydney

Monash IVF Group (ASX: MVF), a leading provider of Assisted Reproductive Services and womens imaging services in Australia and Malaysia, today announced that it has acquired the Fertility East business in Bondi Junction, Sydney, NSW.

Fertility East has been providing Fertility and IVF services since 2006 and has a growing niche offering of Donor Gamete Programmes. Fertility East brings two further IVF specialist Doctors into the MVF network, Dr Joel Bernstein (the founder of Fertility East) and Dr Jenny Cook.

Fertility East has been acquired by Monash IVF for \$3 million on a debt free cash free basis (plus an amount of \$500,000 subject to meeting performance hurdles). Fertility East currently generates around 700 patient treatments per annum with revenues of circa \$5 million annually. The acquisition of Fertility East will be immediately earnings accretive. The purchase price will be funded from a mixture of bank debt and internal cash resources.

Strategically this acquisition represents a further expansion of MVF's footprint in the full service segment of the IVF market in Australia and a complementary offering to MVF's existing two Sydney businesses Next Generation Fertility and the low-intervention "BUMP IVF" clinic. The demographic profile of Fertility East's patient base is consistent with Monash IVF's, with an average patient age of approximately 38 years.

Monash IVF Group Chief Executive Officer James Thiedeman said: "Fertility East is a well-established business with the type of patient base we have grown and supported in our other markets for many years. We are delighted welcome Fertility East to the Monash IVF Group."

"This is the first acquisition we have completed since our ASX-listing in 2014. Strategically, it aligns with our focus in FY15 to enhance our growth profile by capturing accretive, targeted expansion opportunities."

Fertility East Medical Director Dr Joel Bernstein said "Since 2006, we have worked tirelessly to build Fertility East into the successful business it is today. We believe that now is the right time to join a larger IVF business to allow us to continue to provide the best possible services and results to patients. We have a deep respect for Monash given its history as one of the pioneers in assisted reproduction and we are delighted to be joining the Monash Group. We believe the sale to Monash will provide enhanced opportunities for our staff and, more importantly, an expanded range of services to our valued patients."

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