

2 June 2017

ALS finalises two additional strategic acquisitions

ALS Limited (ASX Code: ALQ) today announced that it has completed the acquisition of Marshfield Food Services in the USA and OILCHECK in Brazil.

Marshfield Food Services (MFS) is a USA based Food Safety laboratory company operating nine laboratories across the USA and Canada. The business is predominantly a number of on-site dedicated laboratories for major USA food manufacturers plus a full-service hub laboratory in Marshfield, Wisconsin. MFS employs 140 staff and has revenue in excess of US\$20 million per annum.

ALS has also acquired OILCHECK in Brazil. OILCHECK provides tribology services to mobile and stationary equipment in Brazil, and complements the existing ALS Tribolab business in that country. OILCHECK employs 50 staff and is located in Belo Horizonte, the mining capital of Brazil and the location of ALS's highly successful Brazilian geochemistry laboratory. OILCHECK more than doubles the size of ALS's South American tribology business and provides the scale and management depth to expand the business organically across all of South America.

ALS CEO and Managing Director, Greg Kilmister commented, "In 2012 ALS developed a strategic plan to build a global Food Safety Laboratory business with annual revenue of \$200 million in the initial phase. The acquisition of MFS completes the first phase of that strategy as ALS will have a hub and spoke Food Safety laboratory network covering Australia, South East Asia, United Kingdom, eastern and southern Europe, South America, and now North America. Importantly, in the current financial year, ALS will reach its initial target of \$200 million in Food Safety analytical revenue and will provide a full range of analytical services in the sector."

In commenting on OILCHECK, Mr Kilmister stated, "OILCHECK brings scale, geographic access and management depth that will allow ALS to build a market leadership position in tribology across South America."

Total investment in the two acquisitions includes upfront payments of \$18.4 million plus \$4.2 million in earnouts over the next three years if specific financial hurdles are achieved.

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About ALS Limited

ALS is a global Testing, Inspection & Certification business. The company's strategy is to broaden its exposure into new sectors and geographies where it can take a leadership position.
