

ASX Announcement

G8 Education Limited
(ASX:GEM)



G8 Education^{ltd}

11 August 2014

G8 Education Limited to acquire 25 premium childcare and education centres

Listed Queensland-based childcare and education centre operator G8 Education Limited (ASX: GEM) is pleased to announce that it has contracts in place that give it the right to acquire 25 premium childcare and education centres from a number of different vendors.

G8 Education Limited has contractual arrangements with each of the vendors, conditional upon customary licensing and landlord approvals. The acquisitions will be funded from cash reserves. Subject to these conditions being satisfied the acquisitions are expected to settle before the end of January 2015.

The total purchase price for the 25 centres is \$72.7 million payable at settlement and a further \$10 million conditional upon the centre based EBIT target being achieved in the 12 months post settlement. The purchase price is 4 times anticipated EBIT for the 12 months post settlement.

G8 Education Limited Managing Director, Chris Scott, said: *'These transactions will increase the total number of places in the Australian portfolio to 31,924 per day and will be EPS accretive from settlement date.'*

ENDS

Chris Scott
Managing Director