



AFFINITY EDUCATION
G R O U P
ABN 37 163 864 195

ASX ANNOUNCEMENT

AFFINITY EDUCATION GROUP LIMITED

ASX:AFJ

27 February 2015

Affinity Education Group FY14 results

Affinity Education Group Limited (ASX: AFJ) is pleased to announce its results for the financial year ended 31 December 2014 (FY14).

Highlights:

- Revenue of \$111.9 million (FY13: \$3.7 million);
- Underlying Earnings Before Interest, Tax, Depreciation and Amortisation of \$17.9 million (FY13: \$1.2 million loss)
- Statutory net loss after tax of \$4.1 million (FY13: loss of \$8.9 million), due to one-off acquisition costs
- Underlying operating cashflow of \$17.6 million before acquisition costs;
- Portfolio growth from 57 to 152 centres, with 125 centres settled; and
- Net debt of \$18.7 million as at 31 December 2014, representing net gearing of 11%

Commenting on the FY14 result, Chief Executive Mr Justin Laboo said "Affinity has made significant achievements over the last twelve months through the quality of acquisitions, strong focus on integration and the dedication of our people."

Delivering on the strategy

Since listing on ASX in December 2013, Affinity Education has been focused on growing its portfolio through acquisitions, with 125 centres settled by year end. The acquisitions have been consistent with Affinity Education's strategy to become a leading Australian child care provider; benefiting from economies of scale; and strengthening the portfolio through diversification. Mr Laboo commented "Successful integration of acquired centres is a key component of our disciplined growth strategy and our integration is tracking as planned".

Positive outlook for 2015

Affinity Education is well placed to continue growing shareholder value by benefiting from the increasing level of workforce participation which is driving higher demand for child care services, a growing portfolio of centres, additional integration benefits to come; and a strong balance sheet with low net gearing.

- ENDS -

Justin Laboo

Managing Director

Affinity Education Group Limited has been established to be a leading provider in the Australian market of high quality education and care to children aged six weeks to 12 years.