



## Sale of Endeavour Learning Group to Study Group

**19 March 2015**

Vocation Limited (ASX: VET) ("**Vocation**" or the "**Company**") today announces it has entered into a conditional contract with Study Group for the sale of the Endeavour Learning Group (ELG) for up to \$75 million, which comprises a \$65 million cash payment at completion (subject to certain working capital adjustments) and up to \$10 million contingent deferred consideration.

The sale is conditional on notifications to the Australian Skills Quality Authority (ASQA), the Tertiary Education Quality and Standards Agency (TEQSA) and the Federal Department of Education and Training, and will complete shortly after these notifications have been made.

This transaction satisfies the Company's obligation to materially deleverage its balance sheet under its amended bank facility agreement. The initial proceeds from the ELG sale together with the previously announced sale of ASM and ACAE, in aggregate \$79 million, will be used to reduce the bank loan facility limit from \$85 million to circa \$10 million.

Commenting on the sale, the Chairman of Vocation Mr Doug Halley said "The Company received strong interest from many credible parties. The strategic review and associated sale processes have allowed the Company to refocus its business around its core strengths of vocational education and training activities, and to have an appropriate capital structure to support them.

"In the coming weeks Vocation expects to announce the final outcomes of the strategic review, its expected capital and corporate structures, and its revised financial guidance incorporating the changes to the business portfolio".

Study Group CEO, Mr David Leigh, commented "The acquisition of ELG will augment our existing portfolio of market-leading education businesses. Our high quality applied learning programs have experienced strong success in the Australian market and we see ELG as a natural fit".

Shareholder approval of this sale is not required and completion is expected to occur on or around 1 April 2015.

Vocation was advised by 333 Capital and Allens.



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