



G8 Education<sup>ltd</sup>

# ASX Announcement

G8 Education Limited  
(ASX:GEM)

10 February 2014

## **G8 Education Limited to acquire 63 premium childcare and education centres**

Listed childcare and education centre operator G8 Education Limited (ASX: GEM) is pleased to announce that it has contracts in place to acquire 63 premium Australian childcare and education centres. Following these acquisitions, G8 Education will be operating 296 Australian childcare and education centres.

G8 Education Limited has entered into contractual arrangements with various vendors, conditional upon customary licensing and landlord approvals. The acquisitions will be funded from existing cash reserves and debt. Subject to these conditions being satisfied the acquisitions are expected to settle by 30 April 2014. A settlement update will be released to the market on 30 April 2014.

The total purchase price for the 63 centres is \$104.67 million with \$103.85 million payable at settlement and a further payment of \$0.82 million conditional upon the centre based EBIT target being achieved in the 12 months post settlement. The purchase price is based on 4 times anticipated EBIT for the 12 months post settlement.

G8 Education Limited Managing Director, Chris Scott, said: *"The acquisition of these 63 premium centres is a significant milestone.*

*Together, these centres will contribute \$26.06 million of annualised centre based EBIT. The centres are expected to contribute to EBIT immediately upon settlement and continues G8 Education's expansion in a way that is earnings per share accretive.*

*This transaction will increase the number of places by 4,254 and takes the total number of places in the Australian portfolio to 21,792 per day."*

ENDS

Chris Scott  
Managing Director