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Company Announcements Office
Australian Securities Exchange
Level 4
20 Bridge Street
Sydney NSW 2000

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VOSTRO INSTITUTE OF TRAINING AUSTRALIA

Academies Australasia ('AKG') today announced the acquisition of the entire share capital of Vostro Institute of Training Australia Pty Ltd ('Vostro').

Vostro is a Registered Training Organisation ('RTO') operating from 82-96 Hampstead Road, Maidstone Victoria 3012. It was established in 2008 by Jonathan Batey and Jay Hyland ('the Vendors').

Vostro's RTO licence was extended in 2013 for 5 years through to 2018 and it has a contract with Skills Victoria for funding for 2014.

Through classroom and workplace training programmes, Vostro delivers nationally recognised qualifications from Certificate II to Diploma level in Business, Competitive Sales and Retail, Community Services, Aged Care, Health Services, Manufacturing and Warehousing. The Vostro web address is www.vostro.vic.edu.au.

Vostro has expertise in certain programmes that Academies Australasia colleges do not have. It can benefit from access to courses which other Academies Australasia colleges have. Vostro will give Academies Australasia better access to the domestic student market in Victoria.

Vostro's FY13 revenue was \$4.8 million. Normalised EBITDA for that year was \$550,000. It is estimated that EBITDA for a full 12 month period would be at least about \$1,000,000.

AKG has paid consideration of \$2.0 million in cash to the Vendors.

The Vendors have contracted to continue their employment with Vostro to 2016.

The likely effect of the acquisition of Vostro on AKG will be as follows:

- An increase in AKG's total assets of \$2.8 million;
- an increase in revenue of approximately \$4.3 million, and;
- an increase in annual profit before tax and extraordinary items of approximately \$700,000 for FY14.

Christopher Campbell
Group Managing Director

For further information call Christopher Campbell on +61 412 087 088 or +61 2 9224 5555. Academies Australasia has been operating for 105 years and listed on the Australian Securities Exchange for 36 years. The group's education business now comprises 13 separately licensed colleges operating in New South Wales, Queensland and Victoria in Australia, and in Singapore. Over the years, Academies Australasia colleges have taught tens of thousands of students from 118 countries.

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