



Market Announcements Office

ASX Limited

Date: 21st September 2015

ANNOUNCEMENT SUMMARY

1. First two (2) childcare centre acquisitions settled for \$3.05mil.
2. THINK re-affirms guidance that it expects to achieve prospectus forecast CY2015.

Our first two acquisitions have settled (\$3.05mil)

THINK Childcare Limited (ASX Code: TNK) is pleased to announce that it has settled its first two post Prospectus acquisitions. The centres are trading consistent with the Company's expectations and the teams have embraced the change in ownership with a skip in their step.

As announced on the 18th of June 2015, THINK has contracted two centres for a total consideration of \$3.05 million and has sort to vary the contracts with the addition of a contingent earn-out on one of the acquisitions of up to a maximum of \$300K (payable in CY2017). To lessen the dilution effect on existing shareholders the Company has elected to settle with cash to one vendor (in lieu of \$750K in equity at \$1 per share), settlement terms are as follows;

	Acquisition Metrics
Projected profit fiscal 2016 stand alone	\$822,794
Projected profit fiscal 2016 after payroll tax	\$747,314
Purchase Price	\$3,050,000
Equity	\$1,000,000
Equity Issue Price	\$1.00
Debt	NIL
Cash	\$2,050,000
Multiple on a standalone basis	3.71
Multiple after payroll tax	4.08
Licenced Places	157
Average occupancy	93%
Acquisition costs percentage	7.63%
Source	Managed Centres (Incubator)

Acquisition rational

THINK continues to assess acquisition opportunities of centres fitting TNK's acquisition criteria and it believes that there is opportunity to make further accretive acquisitions in the next 6 months; allowing it to leverage the Company's structural cost base across a broader revenue stream.

Think Childcare Limited re-affirms full year prospectus forecast

TNK management remain confident that the Company will achieve the full year prospectus forecast of \$6.8million EBITDA and \$4.33million NPAT and expects dividends per share to be consistent with guidance of up to 7.1c and paid post CY2015 results.

The CY2015 forecast includes only the Company's 30 foundation centres. Any contributions from new acquisitions and any costs of such acquisitions have not been factored into to the prospectus forecast number.

Appendix 3B Notice

The ordinary shares to be issued as part as part of the purchase consideration are expected to be issued on or before 30 October 2015 at which time an Appendix 3B Notice will be lodged with the ASX.

Mathew Edwards

Managing Director and Chief Executive Officer
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