



Release to the Australian Securities Exchange

Integral Diagnostics to acquire Western District Radiology and South West MRI

Melbourne, 12 May 2016: Integral Diagnostics Limited (ASX: IDX) is pleased to announce that it has entered into a binding agreement to acquire the Western District Radiology business and the 50% interest in South West MRI (trading as Western District MRI) not owned by the company from the current radiologist owners.

Western District Radiology and South West MRI are businesses the company knows well. Integral Diagnostics is currently a 50% shareholder and joint venture partner in South West MRI. The businesses have a long term lease with St John of God Hospital in Warrnambool, a hospital operator that Integral Diagnostics has a strong working relationship with.

The four radiologists in these practices are all local to the Warrnambool area, and well regarded for their contribution to radiological advancement in the region.

The total enterprise value for the acquisition is \$5.0 million, with consideration including both cash and shares in Integral Diagnostics. \$1.275 million of new shares will be issued at an issue price equivalent to the volume weighted average price of Integral Diagnostic shares for the 5 trading days prior to completion of the acquisition and will be subject to escrow arrangements that align radiologist interests to that of the group.

On an annualised basis, the acquired interest in the two businesses currently generate revenue of \$4.3 million and EBITDA of \$1.2 million.

The acquisition is subject to customary approvals and is expected to be completed within 60 days.

Commenting on the acquisition, Integral Diagnostics CEO John Livingston said:

“In-line with our growth strategy, we are delighted today to announce the acquisition of Western District Radiology, including the 50% share of South West MRI we did not previously own. These businesses complement Integral Diagnostics’ strengths, being located in a regional market, at another St John of God Hospital, and can act as a feeder site to higher value examinations at our other sites.

Importantly, this acquisition further strengthens Integral Diagnostics’ position in the South West Corridor of regional Victoria. It provides our radiologists with a strong platform on which to continue delivering high quality patient services, while also growing our presence in Warrnambool and the surrounding area. In addition, this acquisition will be earnings accretive from the 2017 financial year.

We continue to evaluate other acquisition opportunities to determine strategic and cultural fit and value accretion, as Integral Diagnostics continues to execute its growth strategy.”

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