

Eyecare Partners Continues to Strengthen its Foundation for the Future Growth of its Geographic Footprint via the Acquisition of Five Additional Optometry Practices

Eyecare Partners Limited is a company based upon the highest standards of clinically-driven optometry that is steadily growing so that it can secure its strategic position in the ASX Health Care Equipment and Services index.

Illustrating the Company's substantial growth, it has acquired an additional five new optometry practices to the group, increasing the number of practices in its group to thirty-one. Two further acquisitions are in the final stages of settlement.

Mrs. Sam Andersen, Eyecare Partners' Managing Director explained to the Australian Investor, "Eyecare Partners is an Australian owned, optometrist-led, publicly listed company which preserves the ideals and goals of full-scope professional optometry, while also having access to the corporate and capital resources required to flourish."

The Company offers full scope optometry, with practitioners encouraged to maintain their specialist clinical skills of behavioural optometry, orthokeratology, therapeutics or whatever makes their professional lives satisfying.

"We have a very unique business model that utilizes an innovative management philosophy," Mrs. Andersen informed the Australian Investor, "We acquire independent optometry practices but we do not operate like a franchise or a vertically integrated product supply company.

"We give our practices an extensive amount of flexibility that allows them to focus on providing their patients with the best care and services without having to conform to strict regulations or requirements. Instead, we share best practice between our practices and encourage improved performance through adopting the best ideas our practices develop."

Eyecare Partners differentiates itself from its competition via its clear focus on healthcare, not as a budget spectacle retail service. It believes that solid relationships with the patients are very important.

Another important factor of its business model is that the management of the acquired practices remains in place on a long term contract.

"We are focused on acquiring profitable, quality businesses," Mrs. Andersen told the Australian Investor, "If these businesses are running well, we do not want to start making changes that will impact their success. Instead, we believe in a modern management technique that enables the optometrists to continue to run their business, while providing them with back office administrative assistance so that we can enhance the overall performance."

The optometry market is worth approximately \$1.5 billion. Around one quarter of the Australian market is primarily dominated by OPSM. However, 50% of the optometrists in Australia are independently owned, meaning there is a substantial amount of opportunity for continued growth for Eyecare Partners.

The recently acquired practices include two in the Melbourne area, two in the Brisbane area, and one in Sydney – the second acquisition in this area for the Company. The remaining two acquisitions are in the Gold Coast area.

In aggregate the seven practices are expected to add \$4.9 million in annualized gross revenue to the group, bringing annualized revenues added to the group by acquisition over the past 10 months to \$11 million.

“As a result of these seven acquisitions we will have met our first year target of doubling our outlets,” Mrs. Andersen commented, “Our aim is to continue to grow via acquisitions to double our current number of practices by the end of next financial year.”

One of the key features of Eyecare Partners that is expected to aid its future growth and development is its strategic relationship with Eyecare Plus. Eyecare Partners operates under this name using the Eyecare Plus logo and brand. This provides the advantages of the strength and respect of Eyecare Plus in the market place, along with its considerable marketing, training and buying advantages.

Another important attribute of Eyecare Partners is that it pays dividends to its shareholders, which is relatively rare for a company of its size.

Mrs. Andersen concluded, “We believe that we have established a solid foundation and now have a firm footing for the new financial year. We intend to continue to investigate further acquisition opportunities to continue to grow our geographic footprint.”

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