



ASX Announcement

G8 Education Limited

(ASX:GEM)

G8 Education^{ltd}

18 August 2010

2011 financial year guidance

Queensland based listed child care operator G8 Education Limited (ASX: GEM) is pleased to provide financial guidance for the 2011 financial year being the calendar year ending 31 December 2011:

Calendar Year 2011 Guidance	
Revenue	115,474,615
Expenses	98,191,814
Earnings Before Interest and Tax	17,282,801
Interest	2,110,562
Net Profit Before Tax	15,172,239
Net Profit After Tax	10,620,567
Basic Earning per share (cents per share)	7.6 cents
Average Interest cover for 2011	9 times
Debt/EBITDA	1.49

*Based on 139,924,148 shares being 121,563,230 shares currently on issue plus 18,360,918 to be issued shortly as part consideration for centre acquisitions that have been previously announced.

*Assumes 140 centres owned/managed for the 2011 year.

G8 Education's expansion is proceeding as planned, acquiring child care centres which provide the management team the opportunity to provide exceptional child care whilst increasing the earnings contribution on a per centre basis. The 2011 financial year will see the management team with 51 additional acquired child care centres. The acquisition of the 51 centres is now unconditional as regards due diligence and completion is subject only to bank consent. It is assumed that all 51 centres will be owned and operated by G8 Education for all of the 2011 year.

Dividend

G8 Education announced its dividend policy on 27 May 2010. Dividends are expected to be payable to shareholders quarterly.

Whilst the actual level of dividends paid is at the discretion of the Board, it is the Directors' current intention that G8 Education Limited will be paid quarterly. Dividend payments are anticipated to commence in the second half of this 2010 calendar year. Dividends will be franked where possible.

Chairperson Jenny Hutson said 'Our team delivered a result 42.8% ahead of the forecast EBIT for the 6 months ended 30 June 2010. An additional 51 centres will soon be part of our portfolio. As demonstrated by our guidance, the 2011 year is set to deliver an exceptional outcome for all stakeholders.'

ENDS

Jenny Hutson

Chairperson

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