



SAI Global Limited Company Update

**Peter Mullins, Chief Executive Officer
May 7th 2015**

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Strategy to simplify and focus

- Transform SAI Global into a ***Risk Management Solutions*** business from three siloed businesses each selling products and services
- Focus on the risk management needs of customers across Risk, Knowledge, Learning and Assurance
- Property is an integral player in the property sector and will remain a discrete business

Where we operate

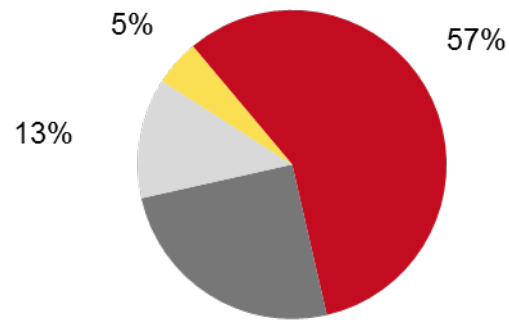
Global presence



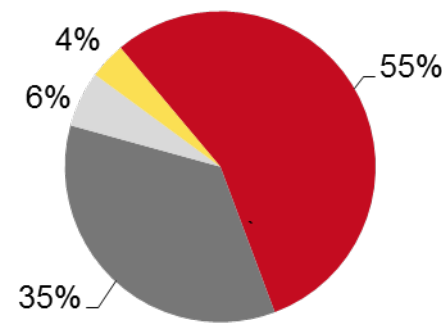
- Presence in 29 countries across Asia-Pacific, EMEA and North America
- 1,978 FTE, circa 55% outside Australia

FY14 Earnings contribution

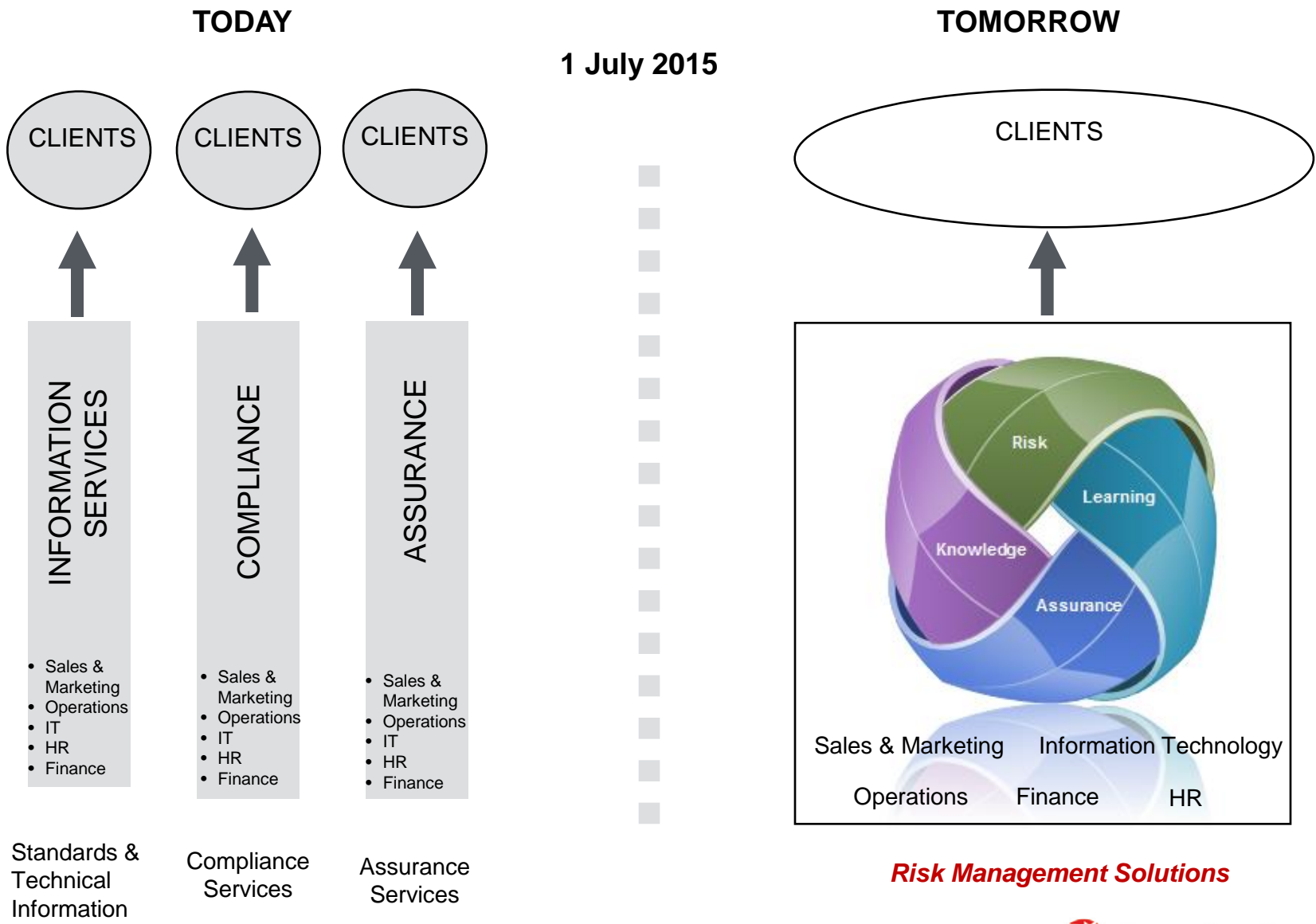
Revenue



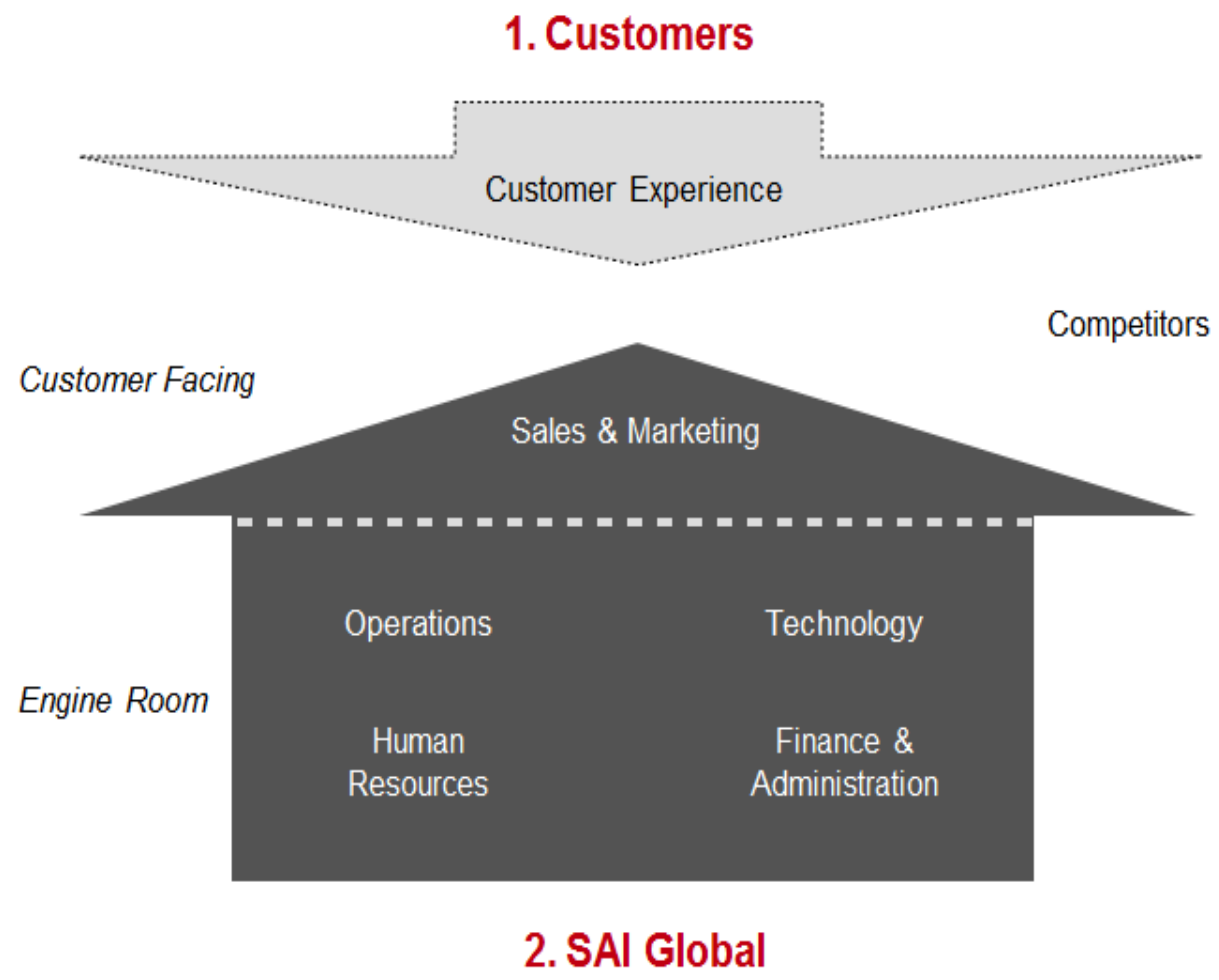
EBITDA



Provide integrated risk management solutions



How it all fits together



Retail, Agriculture and Food – critical risk sectors

Key drivers

Population growth

- Driving food and energy demand

Consumer pressure

- Quality, safety, authenticity, sustainability & ethical sourcing are critical consumer issues
- Stakeholder pressure to demonstrate action

Technology changes

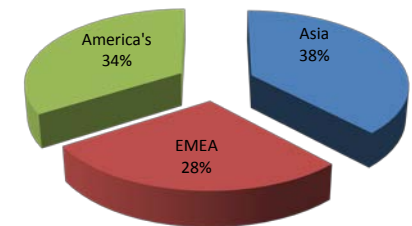
- Anywhere anytime access, cloud computing, business intelligence
- Opportunities in knowledge and data management already apparent

~US\$10bn Opportunity

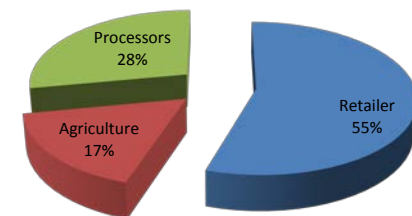
- ~\$10 billion addressable global market growing at 10% p.a.
- Highly fragmented market
- SAI's current RAF related revenue is \$75 million < 1% share of addressable market
- Organic growth to be supplemented by acquisitions

Addressable Market






Audit & Inspection ~US\$6bn



Technical Services ~US\$4bn



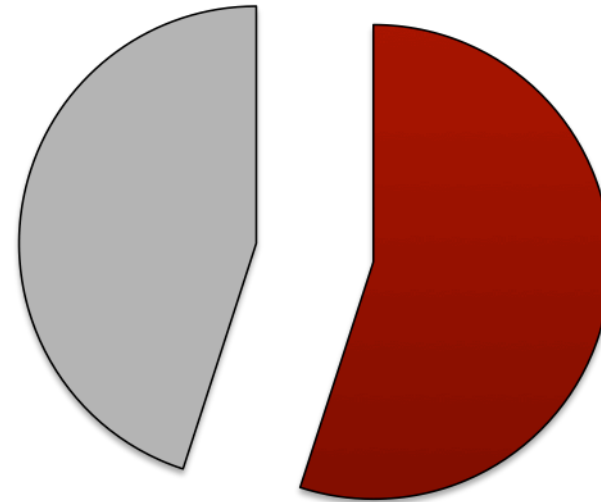
Achieving key commitments

Commitment	Benefits	Progress
<ul style="list-style-type: none"> • New organisation structure by 30 June 2015 	<ul style="list-style-type: none"> • Revenue growth 	 On track, CMO appointed, greater focus on sales and marketing
<ul style="list-style-type: none"> • Work commenced on new customer centric website 	<ul style="list-style-type: none"> • Revenue growth and reduced costs 	 New web site goes live end of September
<ul style="list-style-type: none"> • Phase 1 of operational efficiency measures implemented 	<ul style="list-style-type: none"> • Cost savings of \$5m - \$10m 	 Ahead of plan, will contribute to FY16 EBITDA growth
<ul style="list-style-type: none"> • Operational improvement programme rolled out to all areas 	<ul style="list-style-type: none"> • Gains in efficiency and improved quality 	 Completed
<ul style="list-style-type: none"> • Complete roll out of global accounting platform to Compliance Services, commence to Assurance Services 	<ul style="list-style-type: none"> • Reduced costs and improved reporting 	 Compliance on track to be completed 30 June. Assurance underway

SAI Global Property – an integral industry player

- SAI had **55%** market share of bank property settlements in FY14
- SAI services the settlement and information requirements of 10,550 lawyers, conveyancers and banks

**Bank Property Settlement
Market Share**



■ SAI Property ■ Others

- SAI error rate on settlements is 0.016%
- Industry failure rate is ~5%. The majority of these are caused by problems outside of the settlement process.
- Trend to modernising the conveyancing process is inevitable and exciting developments are underway
- SAI will play a prominent role in the sector for the foreseeable future

FY15 guidance reaffirmed

- Revenue between **A\$545M and A\$560M**
- Underlying EBITDA between **A\$120M and A\$125M**
- Financial performance tracking to expectations
- Significant charges in second half expected to be in range of **A\$10M to A\$12M**, including A\$2.6M relating to early winding up of defined benefit pension plan in Canada (QMI acquisition)













Opportunities for improved profitability

- Accelerate existing business growth - greater focus on sales and marketing
- Fix or divest the underperforming parts of the business
- Focus on Retail/Agriculture/Food sectors
- Improve innovation through partnering
- Increase presence in Asia and South America
- Merger & acquisition opportunities

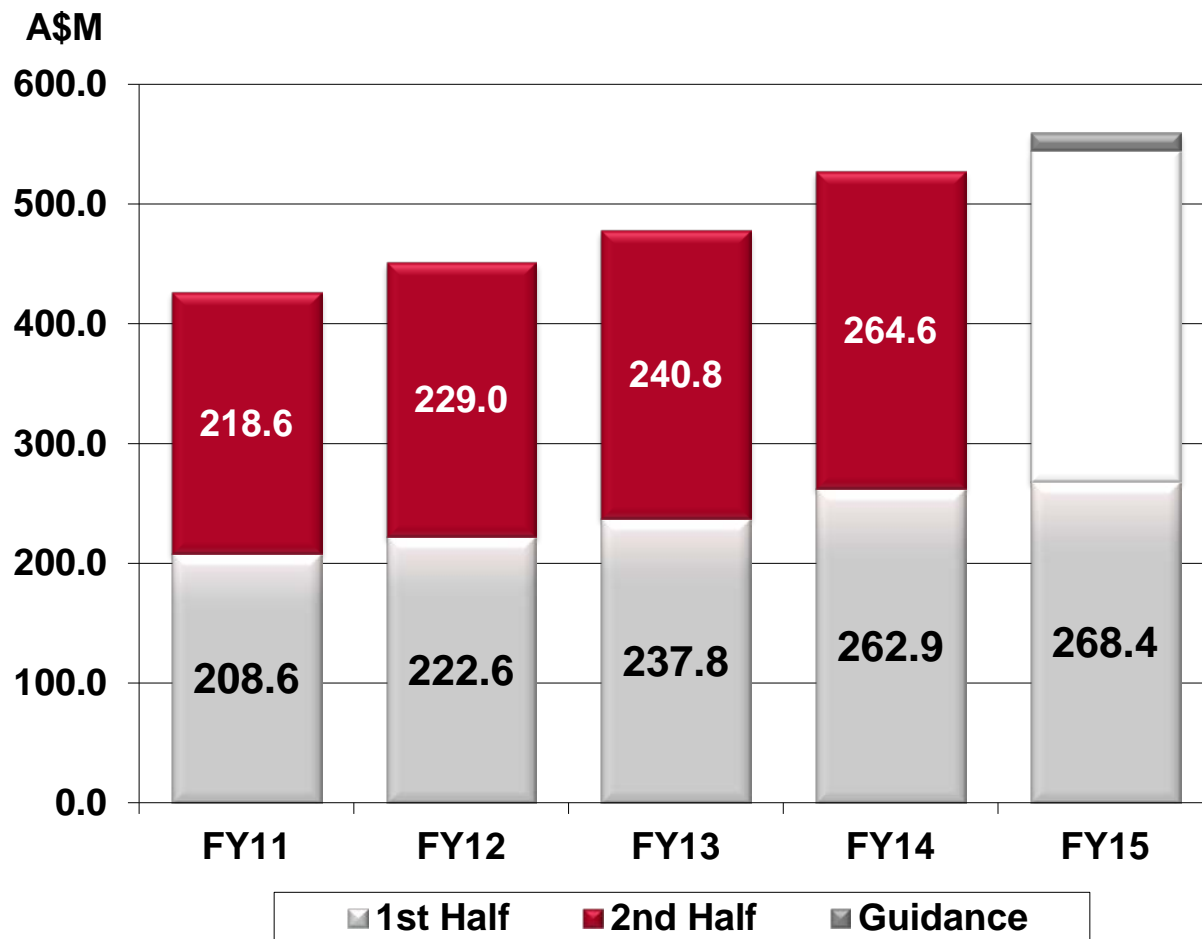
Q & A

Appendices

Business segments performing well

\$M	1H FY15	1H FY14		
Assurance Services				
Revenue	98.5	94.8		3.9%
EBITDA	17.7	14.3		24.3%
EBITDA margin	18.0%	15.0%		3.0%
Compliance Services				
Revenue	46.5	46.9		(0.7%)
EBITDA	15.0	12.8		16.8%
EBITDA margin	32.1%	27.3%		4.8%
Standards & Technical Info.				
Revenue	38.3	38.2		0.2%
EBITDA	20.2	19.7		2.9%
EBITDA margin	52.9%	51.5%		1.3%
Property Services				
Revenue	86.9	84.1		3.3%
EBITDA	15.2	11.8		29.5%
EBITDA margin	17.5%	14.0%		3.5%

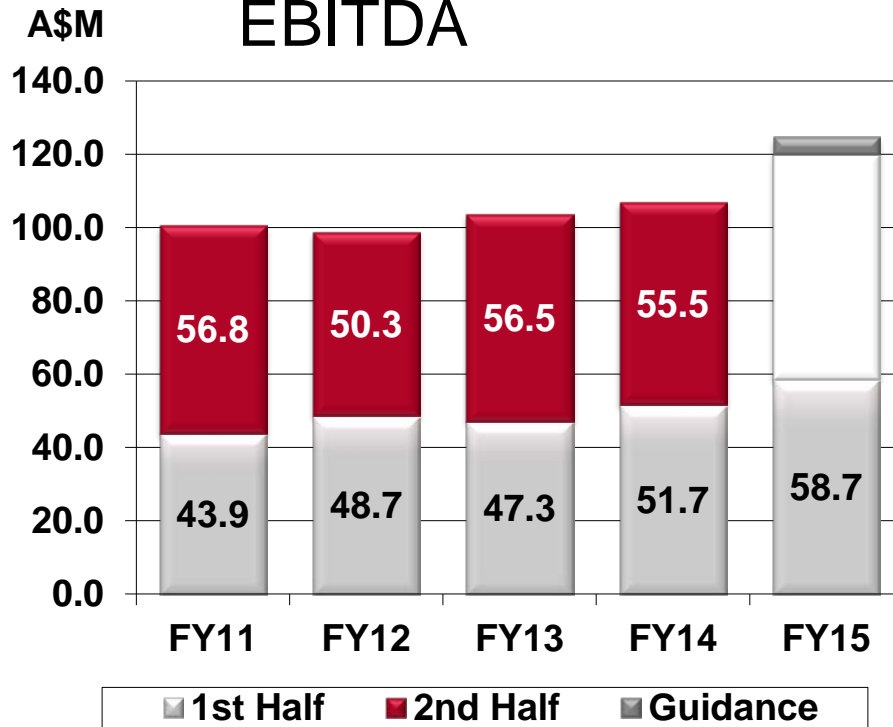
22 successive halves of revenue growth



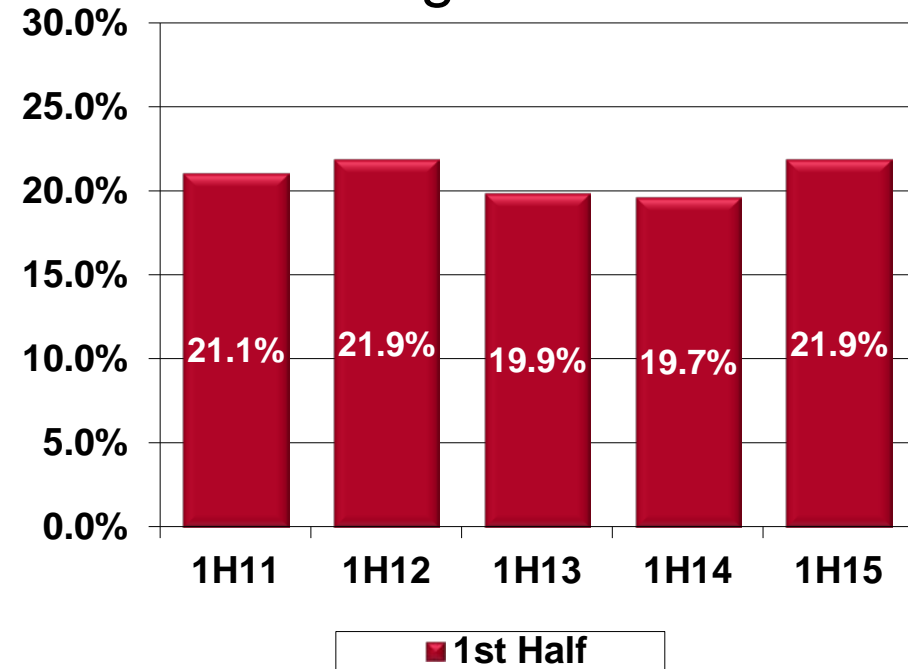
- Revenue growth trend continues
- Trend expected to continue in second-half of FY15
- Opportunities to drive stronger growth in future

Full year underlying¹ EBITDA growth expected

Underlying EBITDA



EBITDA Margin



- EBITDA margin has increased from 19.7% to 21.9% in 1H FY15, reversing the declining trend of recent years

1. Before the impact of significant charges

Balance sheet movements reflect weaker A\$

\$M	Dec 2014	Jun 2014	Change
Cash	58.2	67.7	(14.1%)
Intangibles	556.7	503.5	10.6%
Other assets	207.8	214.0	0.3%
Total assets	822.7	785.2	4.8%
Debt	272.0	248.8	9.3%
Deferred revenue	73.9	72.3	2.3%
Other liabilities	101.2	119.5	(15.3%)
Total liabilities	447.1	440.6	1.5%
Net assets	375.6	344.7	9.0%
Net gearing¹	36.3%	34.4%	1.9%
Net asset backing	177.5	163.5	8.6%

1. Net debt / (net debt plus equity)