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MEDIA & ASX ANNOUNCEMENT **18 August 2015**

FY15 profit increases as efficiency program implemented

- ***NPAT of $39.3m up from $35.3m (incl. $16.4m post tax impact of one off costs)***
- ***Underlying EBITDA of $126.3m, an increase of 17.9%***
- ***Underlying net profit after tax of $55.6m, an increase of 23.6%***
- ***Tailwind from weakened Australian dollar***
- ***Efficiency and cost out gains achieved against plan***
- ***Underlying EBITDA margin improved by 280 basis points from 20.3% to 23.1%***
- ***New operating model implemented***
- ***Continued revenue and profit growth expected in FY16***

Sydney, Australia, 18 August 2015. SAI Global Limited (ASX: SAI) has continued its profit turnaround with the announcement of a FY 2015 statutory net profit after tax attributable to shareholders of $39.3 million, up from $35.3 million in the previous corresponding period (pcp). Underlying net profit after tax, excluding significant items, was $55.6 million, an increase of 23.6% over the pcp.

Significant items comprise costs of $22.8 million (before tax), relating predominantly to operational efficiency initiatives and the implementation of the new integrated global business strategy announced in late 2014. Significant items also include the costs associated with the extensive due diligence process implemented in response to the unsolicited, conditional, non-binding approach received from Pacific Equity Partners in May last year and then subsequent approaches from a number of other parties. Excluding these significant items, underlying EBITDA for the year increased 17.9% to $126.3 million. Revenue grew 3.8% to $547.7 million.

The directors have declared a final dividend of 9 cents per share, 80% franked, bringing the total dividends for the year to 16.5 cents, up from 15.5 cents per share last year. The final dividend will be paid on 23rd September 2015. The record date is 31st August 2015.

Chief Executive Officer, Mr Peter Mullins, said: "This is a pleasing result underpinned by the successful rollout of our operational efficiency programme. We have reversed the declining margin trend of recent years and during the second-half laid the foundations to grow the top line at a faster rate."

"With the new operating model and strengthened management team now in place, improving the organic growth rate of our businesses is a key focus for FY16.

"We anticipate that changes in sales and marketing will contribute significantly to improving organic growth. These functions are now a single global team under the leadership of Chief Commercial Officer, Paul Butcher and we have appointed a Group Marketing Director to streamline and optimise our customer engagement to drive greater customer demand.

"In addition, the redesign of the Company's web interface and ecommerce platform is underway which will facilitate increased sales from solutions that can be enabled, sold and delivered through digital media.

"We are confident that our keener focus on sales and marketing and the integrated service offering, will lift the organic growth rate across all of SAI's divisions."

"I am also pleased to be able to refer to the announcement of last Friday that we have been awarded the NAB Broker mortgage settlements contract. This is a significant win for us and means that we will soon be performing mortgage processing services for all of the four major Australian banks." Mr Mullins said.

Outlook for FY16

The outlook for FY16 is for continued growth in both revenue and profitability from operations with a weaker Australian dollar also expected to positively contribute to results.

SAI also intends to pursue an inorganic growth strategy, focusing on acquiring capability in our target areas and broadening our geographic footprint.

An updated outlook statement will be provided at the AGM in October.

END

Attached: FY15 Key Financials and Divisional Overview

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Attachment to ASX & Media Announcement 18 August 2015: FY15 profit increase on back of efficiency program

FY15 KEY FINANCIALS & DIVISIONAL OVERVIEW

Key Financials

$ million	**FY15**	FY14	**Change**
Statutory:			
Sales revenue	547.7	527.7	3.8%
EBITDA	103.5	93.3	10.9%
Net profit after tax	39.3	35.3	11.2%
EPS	18.6c	16.8c	10.7%
Final dividend	9.0c, 80% franked	8.5c, 45% franked	5.9%
Underlying[1]:			
EBITDA	126.3	107.1	17.9%
Net profit after tax	55.7	45.0	21.6%
EPS	26.3c	21.4c	22.9%

1. The underlying basis is an unaudited non-IFRS measure that, in the opinion of the Directors, is useful in understanding and appraising the Company's underlying performance. The underlying basis excludes significant charges associated with impairment charges, acquiring and integrating new businesses, and costs associated with any significant restructuring within the business. Ernst & Young, the Company's auditor, have undertaken procedures to confirm that the information used and presented by the Directors in determining the underlying results is consistent with the Company's financial records and also applied on a comparatively consistent basis.

Divisional Operating Performance

Assurance Services

The Assurance Services division achieved revenue growth of 6.6% to $205.7M equivalent to 2.6% on a constant currency basis. The result reflects strong momentum with second-half organic growth of 3.4% compared to 1.8% in the first-half. The performance across our key markets was mixed, although we made good progress servicing food sector businesses, one of SAI's targeted areas of growth.

Asia increased by more than 9% driven by continued growth in its Food business. Similarly, EMEA delivered over 6% growth with an improved second-half performance as the Food business gained a new major fast food retailer client. The Americas' region also delivered robust growth with revenues up over 8%. As anticipated, the Australian business was down year on year. SAI achieved an improvement in the Australian management systems business in the second-half compared to the first, however the decline in demand for Learning services associated with the soon to be replaced 9001 Standard, impacted overall sales for this division. An improved performance is expected in FY16.

Overall, EBITDA was up by 19.6% to $39.7M at a margin of 19.3%, compared to 17.2% in the previous corresponding period. This improvement of over 200 basis points in EBITDA margin reflects the tangible progress of the efficiency improvement initiatives across all regions. On a constant currency basis, EBITDA was up 16.6%.

$ million	**FY15**	FY14	**Change**
Revenue	**205.7**	192.9	**6.6%**
EBITDA	**39.7**	33.2	**19.6%**
EBITDA Margin (%)	**19.3%**	17.2%	**2.1%**

Compliance Services

The Compliance division delivered revenue growth of 5.2% and a substantial 35.9% increase in EBITDA compared to FY14. On a constant currency basis revenue reduced 3.3% and EBITDA increased by 23.7%. The improved profitability reflects the operational efficiency initiatives that have seen operating margins improve from 26.9% in FY14 to 34.8% this year. This strong improvement is in line with the "mid-thirties" levels that we had targeted.

The governance risk management and compliance (GRC) operations performed well achieving robust revenue and EBITDA growth. The Learning business saw revenue reduce in constant currency terms but achieved a much improved EBITDA. We expect this business to return to constant currency revenue growth in FY16.

During the period the GRC business completed a major release of Compliance 360 (C360) to introduce a number of significant changes and improved functionality, all of which has greatly enhanced the user experience and appeal of the product. These changes include a complete overhaul of the user interface and user experience and the addition of significant new functionality in response to market needs. We have also progressed development of the "compliance system of record" by opening up the C360 platform so that other platforms and applications can interface with it. In addition, we are adding international functionality (e.g. multi-date formats, currencies and languages), and introducing an improved reporting and business intelligence capability.

Management has improved and stabilised SAI's legacy learning management systems (LMS) and, as a result, the Company has seen a significant improvement in client retention rates. Management has also reassessed SAI's Learning strategy in relation to LMS and has concluded that while an LMS is an important element of any learning solution, there is no strategic advantage in continuing to develop a proprietary system. Recently developed and commercially available third party LMS systems are good quality and offer broad flexibility, As well, an increasing number of clients have their own LMS systems and therefore only want SAI's learning content. As a result of these developments, SAI will in future focus on refreshing and modernising our content services, rather than seeking to compete as a system provider.

$ million	**FY15**	FY14	**Change**
Revenue	**97.8**	93.0	**5.2%**
EBITDA	**34.0**	25.0	**35.9%**
EBITDA Margin (%)	**34.8%**	26.9%	**7.9%**

Standards & Technical Information (formerly part of Information Services)

This business distributes technical and business information such as Australian and International Standards under long-term contracts primarily with Standards Australia, as well as legislation and other technical information. It also provides internally developed intellectual property such as bibliographic databases and information workflow solutions.

The Standards and Technical Information business grew its revenue by 3.0% equivalent to 1.1% on a constant currency basis. Revenue growth in the APAC region of 5.5% was partially offset by a decline in EMEA. This decline relates predominantly to the ASME Pressure Vessel Code which is published every two years and caused a spike in EMEA publication revenue in the prior year. Revenue was also impacted by the downward pressure on oil prices resulting in oil and gas clients renewing subscriptions at a lower value. Despite these headwinds, this business grew underlying EBITDA by 3.7%. On a constant currency basis, EBITDA was up 1.1%.

Notwithstanding the commencement of arbitration in relation to certain royalty payments paid to Standards Australia, as announced to the market in May 2015, operations associated with the Publishing License Agreement between the two organisations continue to operate effectively.

$ million	FY15	FY14	Change
Revenue	**79.3**	77.0	**3.0%**
EBITDA	**41.2**	39.7	**3.7%**
EBITDA Margin (%)	**51.9%**	51.6%	**0.3%**

Property Services (formerly part of Information Services)

SAI Global's Property Services division provides two core areas of services: business process outsourcing, and information broking and data services.

The Property business achieved revenue growth of 1.5% (4.9% if the government authority fee pass through component of revenue is excluded) and EBITDA growth of 18.7%. EBITDA margins increased by 2.4% to 16.9% compared to the previous corresponding period. This strong performance has been driven by the continued buoyant property market in Australia as well as the full impact of recent new business wins from HSBC, Bankwest WA and Commonwealth Bank WA and continued efficiency initiatives in our national operations group.

In late October 2014, the Property Division acquired the exclusive licence to the Encompass software in Australia which it sold previously under a revenue sharing agreement. In the second-half of FY15, this product was launched in conjunction with a new bundled report, combining the strength of Search Manager with the Encompass platform, to deliver a unique Company Dynamic Report to the market. This information brokerage and data services initiative is Property's first foray into the lucrative value-added content market with the objective of winning market share from existing participants.

Settlement Room was launched during the first-half of FY15 enabling Conveyancing Manager clients and banks to electronically validate and track bank settlement details prior to settlement. Feedback from clients has been positive, with more than 8,000 legal conveyancing and practitioners having used Settlement Room in FY15.

$ million	FY15	FY14	Change
Revenue	**169.7**	167.2	**1.5%**
EBITDA	**28.7**	24.2	**18.7%**
EBITDA Margin (%)	**16.9%**	14.5%	**2.4%**

ENDS