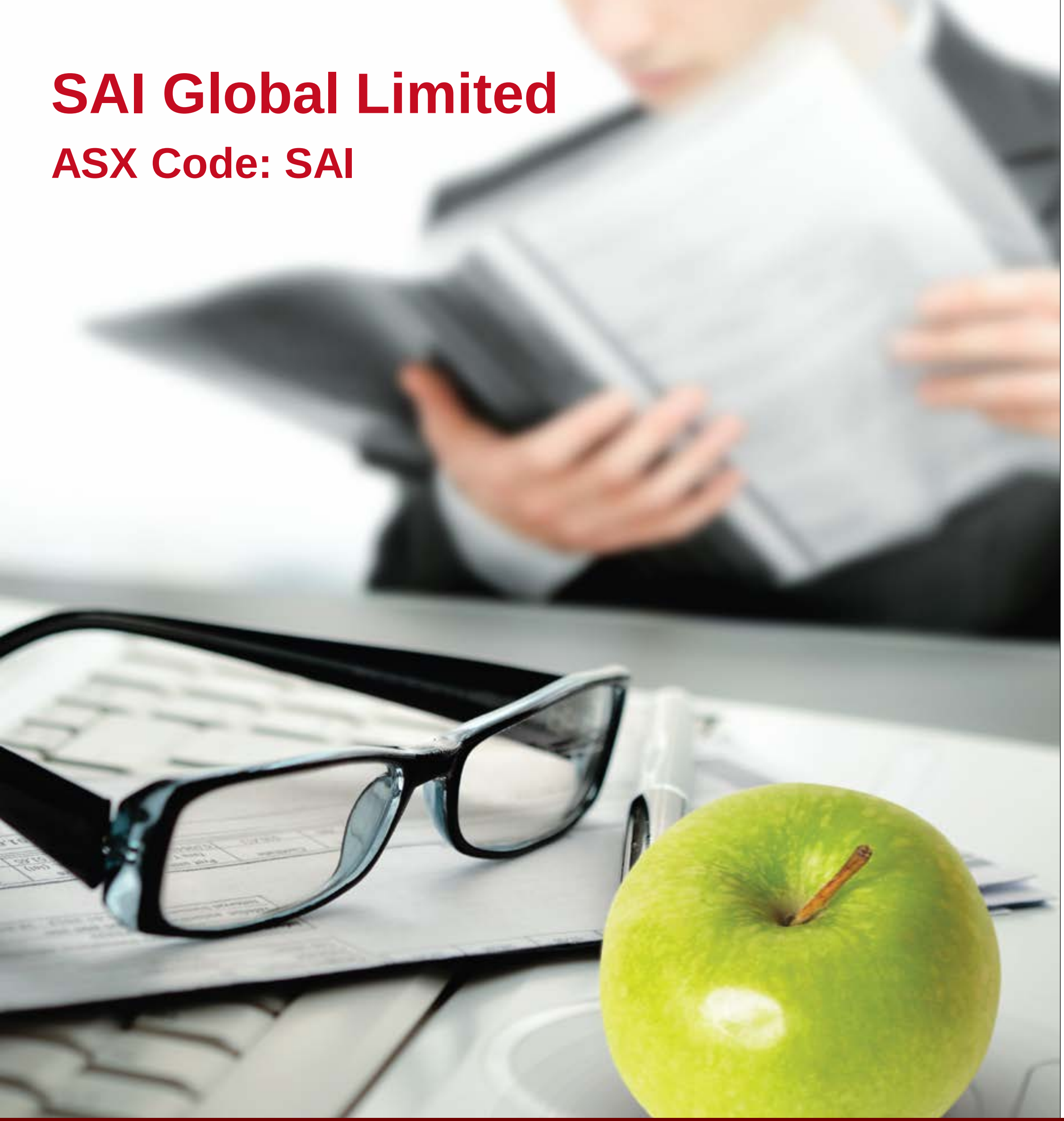
SAI Global Limited

ASX Code: SAI



14 August 2013

Results Presentation

Year Ended

30 June 2013

"Reporting a loss for FY13 is very disappointing.

The impairment of the compliance assets is the result of operational issues rather than any structural changes to the compliance market.

We have a clear plan in place to address these issues"

Tony Scotton
Chief Executive Officer

SAI GLOBAL
INFORM. INSPIRE. IMPROVE.

SAI Global Limited
ABN: 67 050 611 642

Disclaimer

This document has been prepared by SAI Global Limited (SAI) and comprises written materials/slides for a presentation concerning SAI.

This presentation is for information purposes only and does not constitute or form part of any offer to acquire, sell or otherwise dispose of, or issue, or any solicitation of any offer to sell or otherwise dispose of, purchase or subscribe for, any securities, nor does it constitute investment advice, nor shall it or any part of it nor the fact of its distribution form the basis of, or be relied on in connection with, any contract or investment decision.

Certain statements in this presentation are forward looking statements which can be identified by the use of words such as “anticipate”, “estimate”, “expect”, “project”, “intend”, “plan”, “believe”, “target”, “may”, “assume”, and words of a similar nature. These forward looking statements are based on expectations and beliefs current as of the date of this presentation, being 14 August 2013, and, by their nature, are subject to a number of known and unknown risks and uncertainties that could cause the actual results, performance and achievement to differ materially from any expected future results, performance or achievement expressed or implied by such forward looking statements.

No representation, warranty or assurance (expressed or implied) is given or made by SAI that the forward looking statements contained in this presentation are accurate, complete, reliable or adequate or that they will be achieved or prove to be correct. Except for any statutory liability which cannot be excluded, SAI and its representative officers, employees and advisors expressly disclaim any responsibility for the accuracy or completeness of the forward looking statements and exclude all liability whatsoever (including negligence) for any direct or indirect loss or damage which may be suffered by any person as a consequence of any information in this presentation or any error or omission therefrom.

Subject to any continuing obligation under applicable law or any relevant listing rules of the ASX, SAI disclaims any obligation or undertaking to disseminate any updates or revisions to any forward looking statements in these materials to reflect any change in expectations in relation to any forward looking statements or any change in events, conditions or circumstances on which any statement is based. Nothing in these materials shall under any circumstances create an implication that there has been no change in the affairs of SAI since the date of this presentation.

Agenda

1. Overview
2. Financial Summary
3. Operational Performance
4. Outlook
5. Q and A

1. Overview

Tony Scotton
Chief Executive Officer

Financial Result

- **Impairment charge of $86M recognised in relation to compliance assets, resulting in a net loss for the period**
- **Net loss after tax of $43.2M (underlying[1] net profit after tax of $42.4M, down 5.1% on FY12)**
- **Revenue up 6.0% to $478.6M (3.4% organic)**
- **EBITDA up 5.3% to $100.7M (underlying[1] EBITDA up 4.8% to 103.7M)**
- **Operating cash inflows up 24.1% to $72.4M**
- **Final dividend unchanged at 8.2 cents[2], fully franked**

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, acquiring and integrating new businesses, and costs associated with any significant restructuring within the business.
2. Ex div date: 20 August 2013. Record date: 26 August 2013. Payment date: 20 September 2013

SAI GLOBAL

INFORM. INSPIRE. IMPROVE.

Impairment

- The impairment charge has arisen because the value in use of the Compliance assets has reduced
- This is predominantly a result of the operating issues relating to the learning platform and costs associated with an enhanced customer support effort which is affecting current operating margins, and to a lesser extent a weaker performance by the EHS business
- The global market for compliance solutions has not deteriorated and continues to grow. SAI continues to hold a top-tier position in this market
- With new leadership now executing a revitalisation plan, and with Compliance 360 continuing to perform ahead of expectations, SAI's Compliance assets will be well positioned for growth and value creation over the next 3 to 5 years

Overview

- Solid revenue and profit growth from Information Services division – revenue 6.7%, EBITDA up 10%:
  - Improved second-half from the Standards business
  - Property delivering outcomes expected from ANZ and CBA contract wins – pipeline remains solid
- Assurance division adversely affected by weaker Training business, but expected to bounce back strongly in FY14
- Leadership transitions completed for the Compliance and Assurance divisions to Tim Whipple and Paul Butcher respectively

Overview

- Undertaking a company-wide review of IT governance and operating structures with the assistance of Cap Gemini
- Board transitions:
  - ➢ CEO retiring in December 2013
  - ➢ Board renewal that commenced in 2008 is continuing
  - ➢ Two long standing directors, Robert Wright and John Murray AM, retiring at the next AGM
  - ➢ Andrew Dutton appointed Chairman elect

2. Financial Overview

Geoff Richardson

Chief Financial Officer

Financial Summary

$M	FY13 Statutory	Significant Charges[1]	FY13 Underlying	FY12 Underlying	Change in underlying %
Revenue	**478.6**		**478.6**	451.7	**6.0%**
Other income	0.6		0.6	0.1	
Expenses	(378.5)	3.1	(375.4)	(352.8)	**6.4%**
EBITDA	**100.7**	**3.1**	**103.7**	99.0	**4.8%**
EBITDA Margin	**21.0%**		**21.7%**	**21.9%**	**(0.2%)**
Depreciation & amortisation	(32.3)		(32.3)	(26.3)	**22.8%**
Impairment	(86.0)	86.0	-	-	
EBIT	**(17.7)**	**89.1**	**71.4**	72.7	**(1.7%)**
Finance costs - net	(13.6)		(13.6)	(13.6)	**0.5%**
Associates	0.1		0.1	0.1	
Profit before tax	**(31.2)**	**89.1**	**57.9**	59.2	**(2.3%)**
Tax expense	(11.9)	(3.5)	(15.4)	(14.4)	**7.0%**
Minorities	(0.1)		(0.1)	(0.2)	
Net profit after tax attributable to shareholders	**(43.2)**	**85.6**	**42.4**	44.7	**(5.1%)**

1. Impairment and transaction and integration charges relating to acquisition activity and costs associated with restructuring the business

Impairment

- **Compliance impairment charge of $86M consists of three elements:**

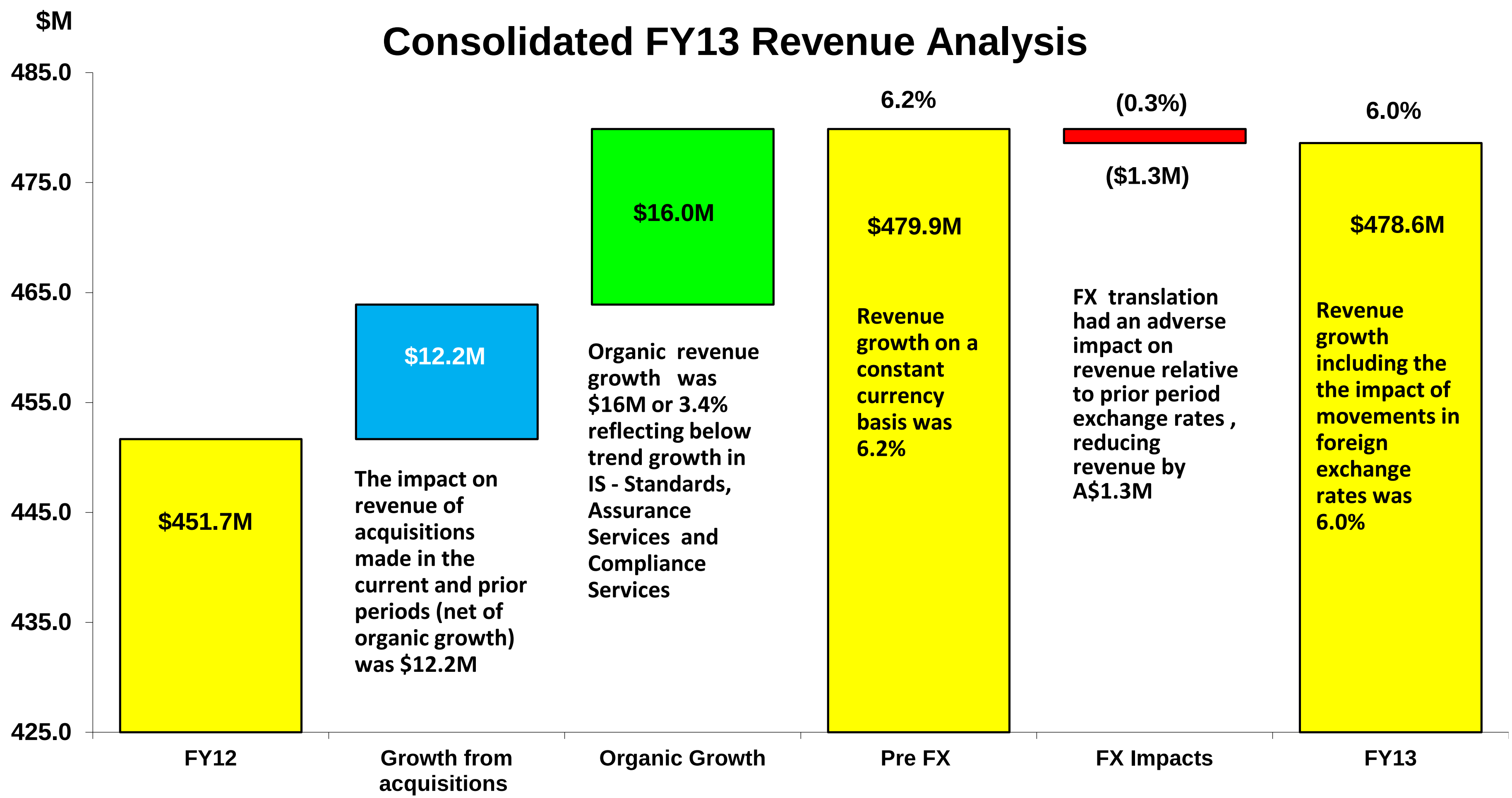
  1. **A goodwill impairment charge of $78.6M a result of:**
     - a weaker growth outlook in the learning business whilst the new learning platform is developed
     - lower operating margins as a result of the higher costs associated with enhanced customer support
     - higher short-term capital requirements
     - weaker than expected performance from the EHS business
  2. **A write-off of capitalised costs of $2.7M relating to the learning content platform (LCP)**
  3. **A reduction in the carrying value of learning customer relationships of $4.7M**

- **The balances in items 2 and 3 would ordinarily have been expensed through depreciation and amortisation charges in future years**

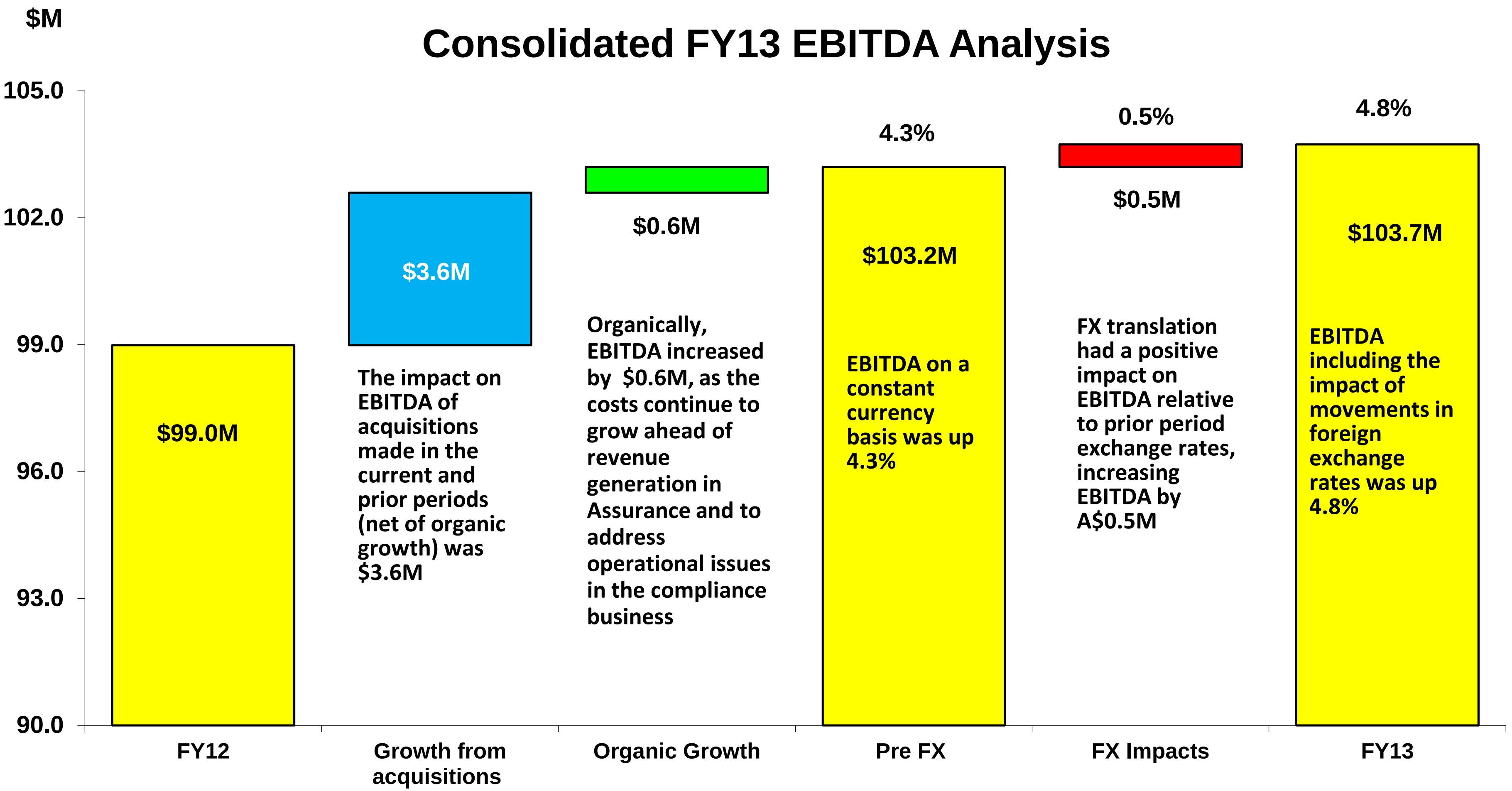
SAI GLOBAL

INFORM. INSPIRE. IMPROVE.

Revenue Analysis



EBITDA[1] Analysis



1. Underlying

Reconciliation of Statutory to Adjusted NPAT

12 Months	FY13 A$M	FY12 A$M	Change %
Statutory NPAT	(43.2)	42.4	**(202.0%)**
Significant charges	85.6	2.3	
Underlying NPAT	**42.4**	**44.7**	**(5.1%)**
Specific non-cash items:			
Equity based remuneration	0.2	0.9	
Amortization of identifiable intangible assets	12.4	12.6	
	12.6	**13.5**	
Tax effect on specific non-cash items	(4.5)	(4.7)	
Non-cash items after tax	**8.1**	**8.8**	
Adjusted NPAT	**50.5**	**53.5**	**(5.7%)**
Adjusted EPS	**24.4c**	**26.4c**	**(7.6%)**

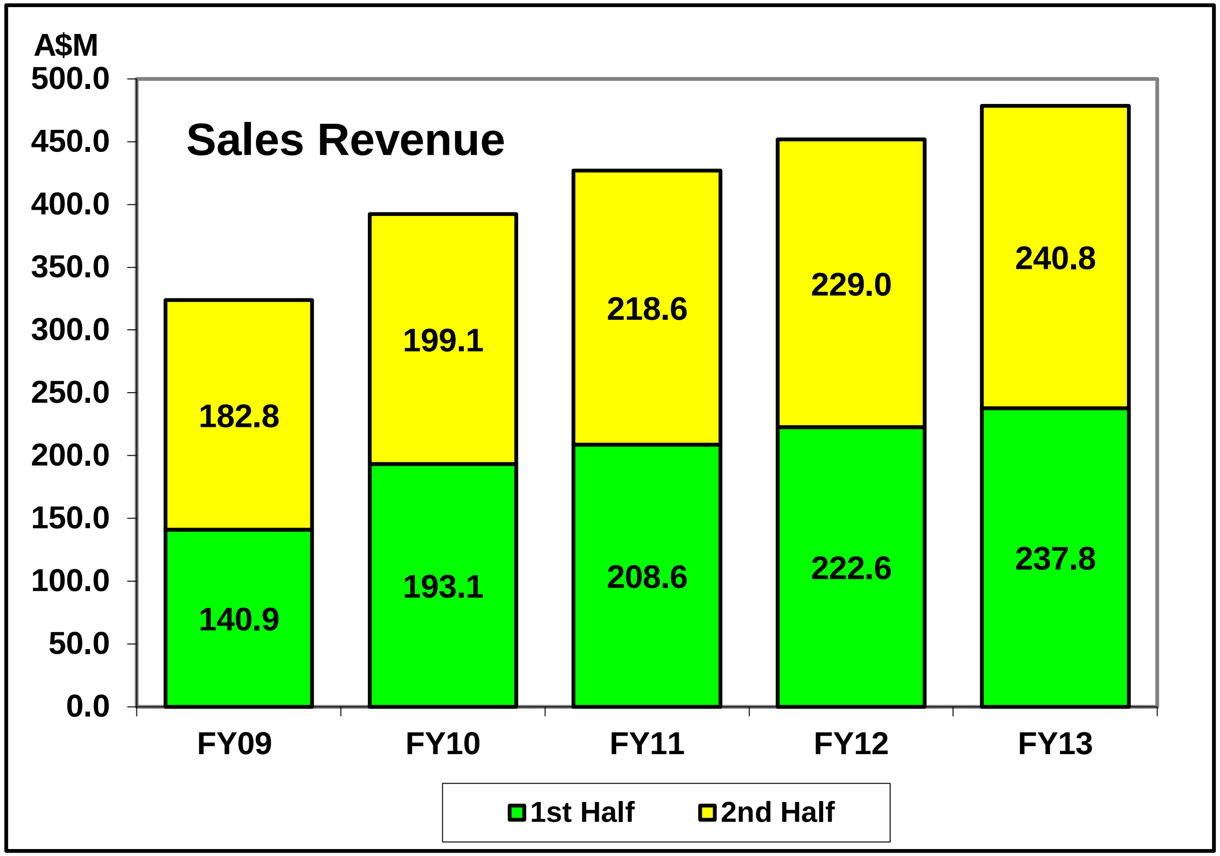
SAI GLOBAL
INFORM. INSPIRE. IMPROVE.

Cash flow

$M	FY13	FY12	Change
EBITDA	**100.7**	95.6	5.3%
Less: net financing charges	**13.6**	13.6	0.5%
Less: income tax paid	**8.0**	16.4	(51.4%)
Less: capital expenditure	**27.8**	31.4	(11.3%)
Free cash flow	**51.2**	34.3	49.4%

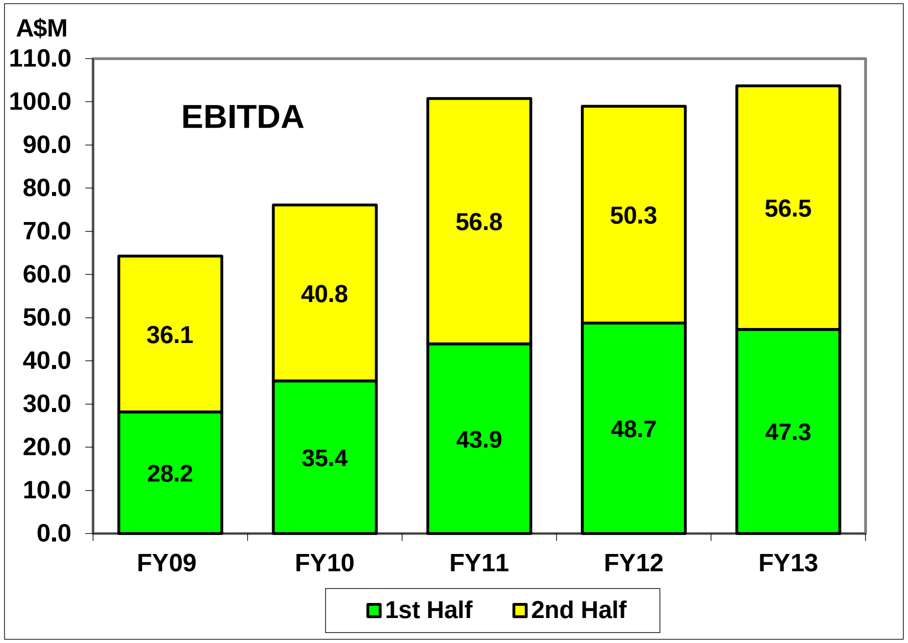
$M	FY13	FY12	Change
Operating cash inflow	**72.4**	58.4	24.1%
Add back: net financing charges	**13.6**	13.6	0.5%
Add back: income tax paid	**8.0**	16.4	(51.4%)
Ungeared pre-tax operating cash flows	**94.0**	88.3	6.4%
EBITDA	**100.7**	95.6	5.3%
Cash conversion ratio	**93.4%**	92.4%	1.1%

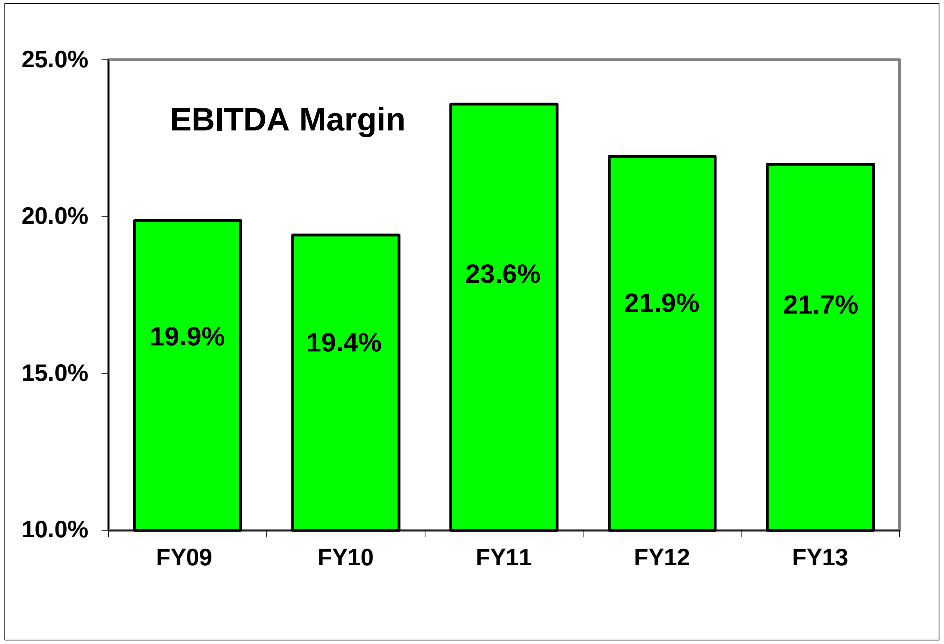
Consolidated Trends – Sales Revenue



- Sales revenue up 6.0% year-on-year
- 3.4% organic growth achieved

Consolidated Trends – Underlying EBITDA[1]





- Strong second-half bias remains
- EBITDA margin down slightly on FY12 to 21.7% from 21.9%

1. Before the impact of significant charges

Impact of, and Sensitivity to, Exchange Rates

- Relatively minor impact on FY13 (revenue -$1.3M, EBITDA +$0.5M)
- Australian dollar began to weaken in May
- A lower Australian dollar has a positive translation effect on SAI's overseas earnings
- Tables to the right show the currency make up of SAI's revenue, EBITDA and underlying net profit before tax
- These tables can be used to determine an indicative impact of movements in exchange rates

Revenue	Underlying currency M	Australian dollar equivalent $M	%
Australian dollar	289.4	289.4	60.5%
US dollar	100.5	97.9	20.5%
Canadian dollar	18.0	17.5	3.7%
Pounds sterling	24.0	36.7	7.7%
Euro	13.4	17.1	3.6%
Other		20.0	4.2%
Total		**478.6**	100.0%

EBITDA	Underlying currency M	Australian dollar equivalent $M	%
Australian dollar	56.1	56.1	55.8%
US dollar	33.5	32.8	32.5%
Canadian dollar	0.4	0.5	0.5%
Pounds sterling	3.1	4.7	4.7%
Euro	2.3	2.8	2.8%
Other		3.8	3.8%
Total		**100.7**	100.0%

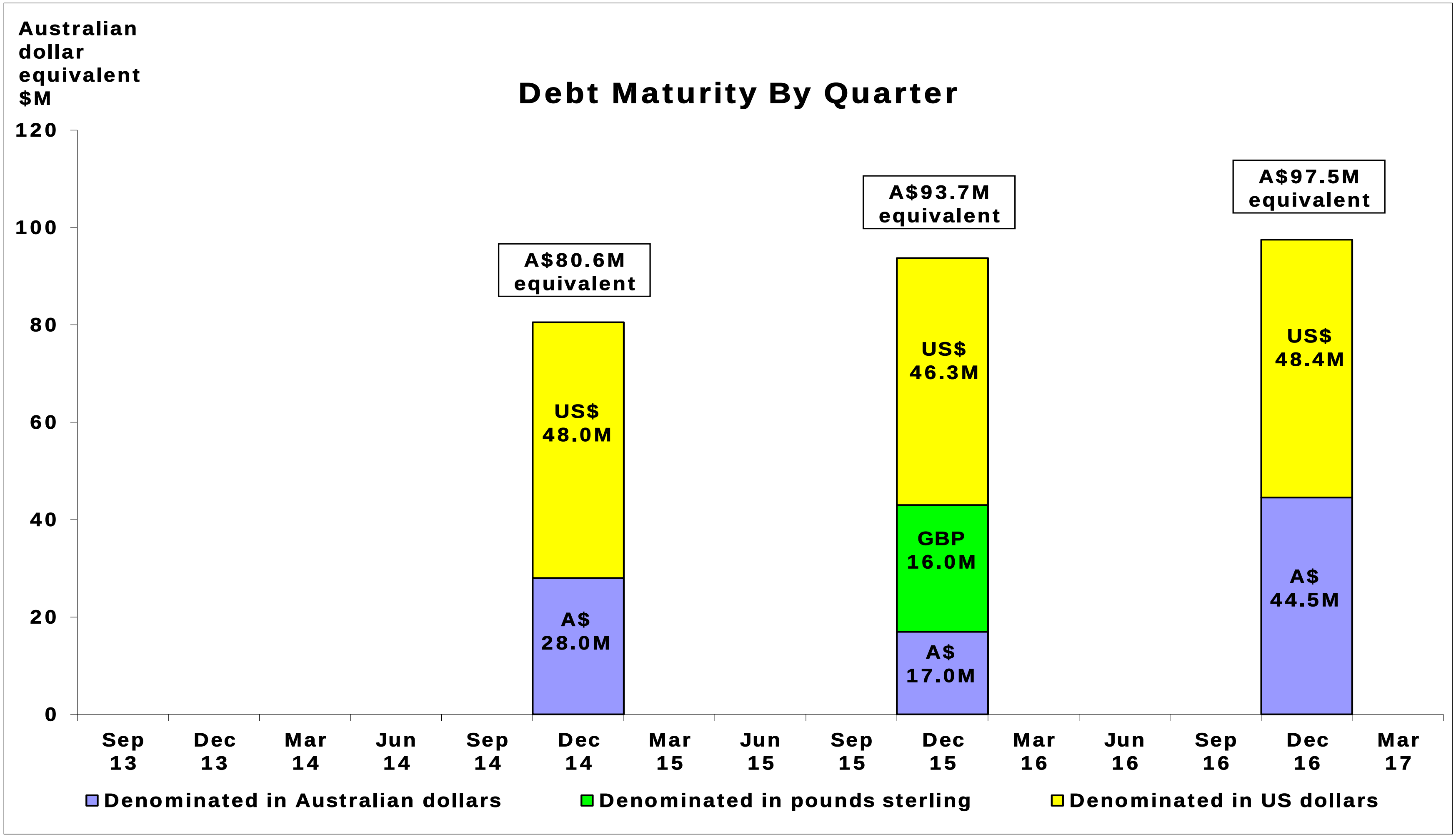
Underlying Net profit before tax	Underlying currency M	Australian dollar equivalent $M	%
Australian dollar	35.5	35.5	61.3%
US dollar	15.5	15.3	26.4%
Canadian dollar	(0.7)	(0.6)	(1.0%)
Pounds sterling	0.9	1.4	2.4%
Euro	2.2	2.7	4.6%
Other		3.6	6.3%
Total		**57.9**	100.0%

Balance Sheet

	June 13 $M	June 12 $M	Change %
Cash	64.0	43.9	45.7%
Intangibles	515.1	557.5	(7.6%)
Other assets	198.4	184.4	7.6%
Total assets	**777.5**	**785.9**	(1.1%)
Debt	272.0	254.0	7.1%
Deferred revenue	75.2	70.7	6.4%
Other liabilities	92.9	93.9	(1.1%)
Total liabilities	**440.1**	**418.6**	5.1%
Net assets	**337.4**	**367.2**	(8.1%)
Net gearing[1]	**38.1%**	**36.4%**	1.7%
Interest cover[2]	**7.3x**	**6.8x**	0.5x
Net asset backing (cents)	**161.1**	**179.8**	(10.4%)

1. Net debt/(net debt plus equity)
2. Underlying EBITDA/ interest expense

Core Debt Maturity Analysis



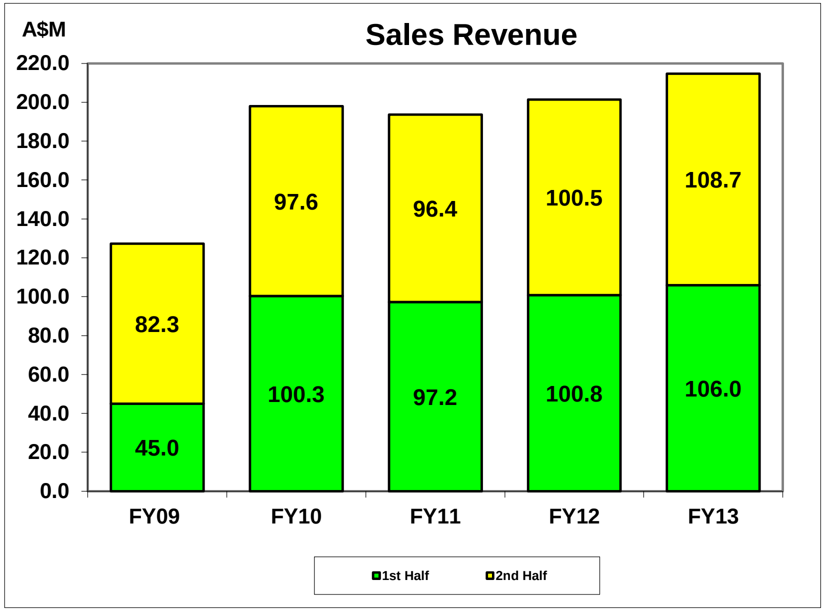
3. Operational Performance

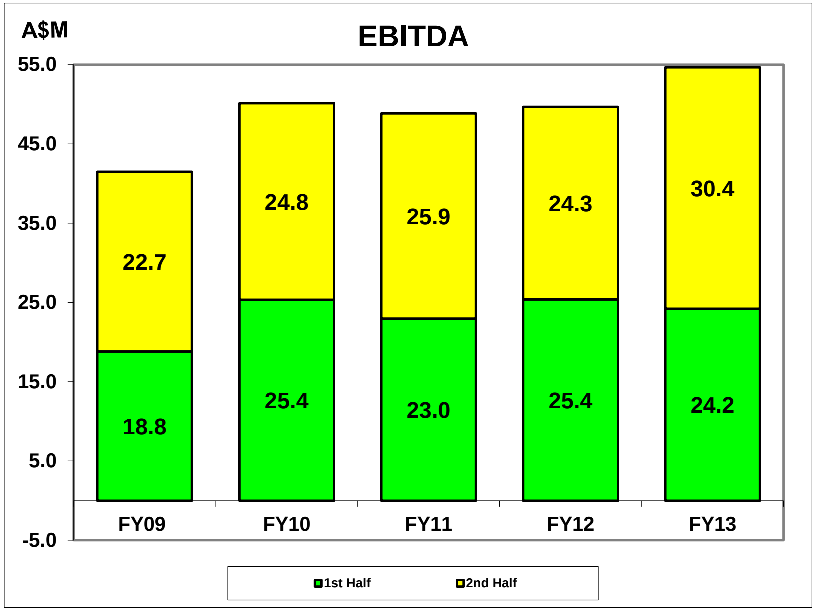
Tony Scotton

Chief Executive Officer

Information Services

	FY13	FY12	Change
	$M	$M	%
Revenue	214.7	201.3	6.7
EBITDA	54.6	49.7	10.0
EBITDA margin (%)	25.4%	24.7%	0.7%



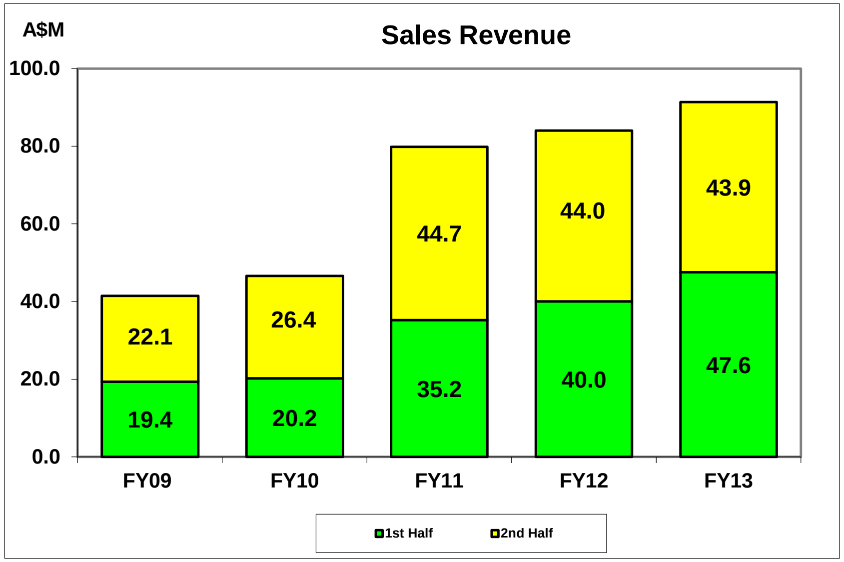


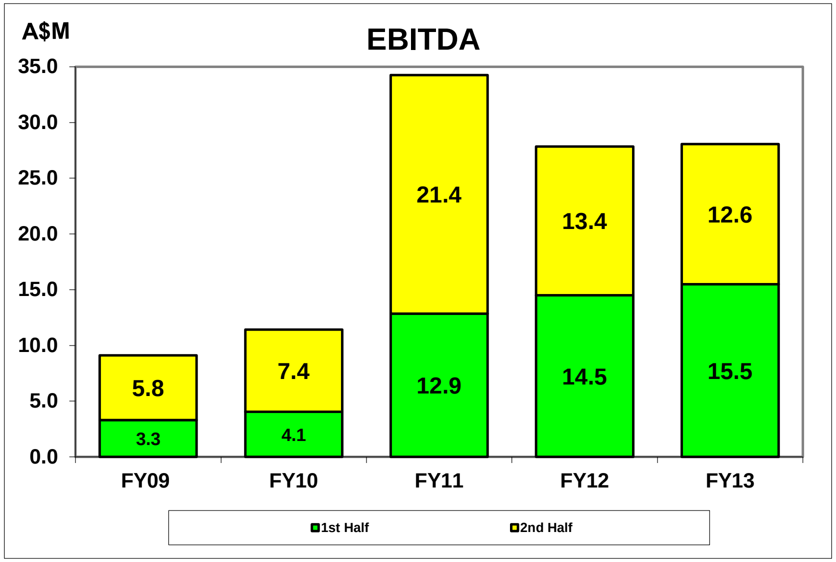
Information Services

- The Property business achieved revenue growth of 9.2% and EBITDA growth of 20.5%, and is now delivering the returns expected from the ANZ and CBA contracts
- The Standards and Technical Information (S&TI) business continues to experience some softness in demand for document sales, but subscriptions continue to grow. Revenue increased 1.1% and EBITDA was up 4.9%
- Margins across the division expanded from 24.7% to 25.4%, driven by the improving profitability in the Property business
- The S&TI business continues to add to its expanding suite of workflow solutions, forging deeper relationships with its customers
- The Property business has a strong pipeline of potential opportunities in mortgage services and is seeing interest build in its enhanced Search Manager and Conveyancing Manager products
- Both verticals are expected to grow revenue and profit in FY14

Compliance Services

	FY13 $M	FY12 $M	Change %
Revenue	**91.4**	84.1	**8.8**
EBITDA	**28.1**	27.8	**0.7**
EBITDA margin (%)	**30.7%**	**33.1%**	**(2.4%)**





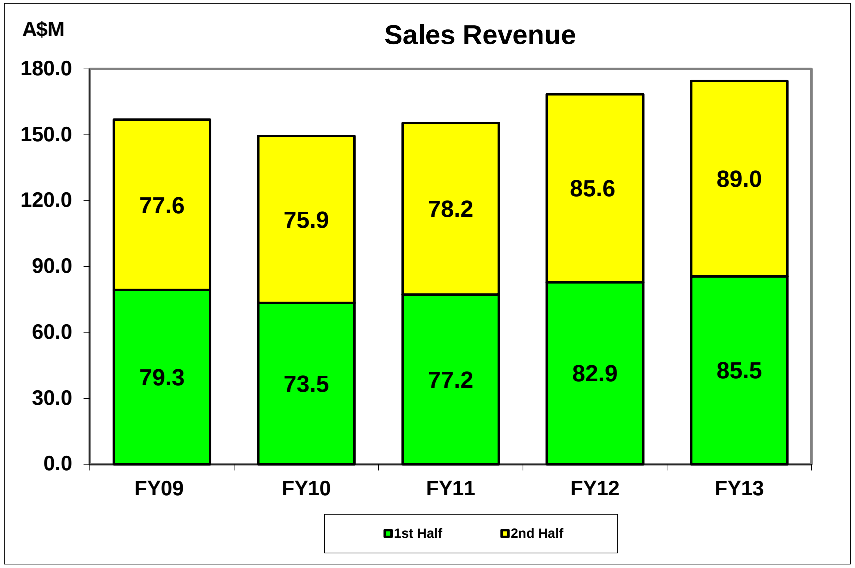
Compliance Services

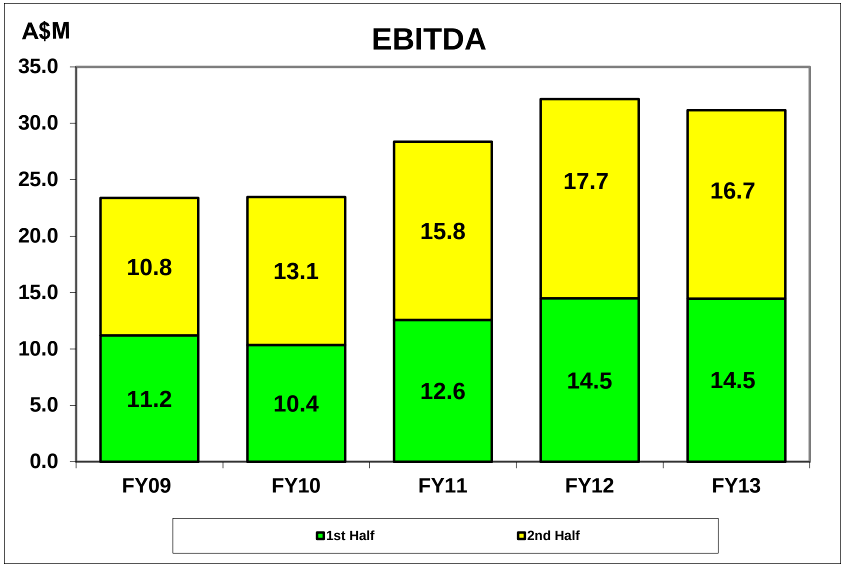
- **The new leadership team has completed a strategic review and is now executing a revitalisation plan with four key elements:**

1. **Solution integration and innovation**
   - Leverage market-leading assets; build competitively differentiated “compliance system of record”
2. **Technology integration**
   - Consolidate on Compliance 360 platform to enable deep solution integration; sunset legacy systems; create benefits for both clients and SAI in user experience, security, cost of ownership and operational efficiencies
3. **Sales and marketing integration**
   - Reignite organic growth via global go-to-market plan with appropriate localisation; specialised focus on customer retention and new business generation
4. **Organisational alignment**
   - Recruitment of proven leadership in e-learning, sales, operations; elimination of redundant roles; cost reduction in EHS in line with performance

Assurance Services

	FY13 $M	FY12 $M	Change %
Revenue	**174.5**	168.5	3.6
EBITDA	**31.2**	32.1	(3.1)
EBITDA margin (%)	**17.9%**	19.1%	(1.2%)





Assurance Services

- Achieved revenue growth of 3.6% (1.1% organic), below our medium term target of 5% to 7%. EBITDA was down 3.1%
- Result reflects a disappointing performance from the Training business which was down 19.5% year-on-year
- Our global food business had another strong year supported by our Asian and North American regions
- Our mature Australian certification and product services businesses had a difficult year with revenues down slightly compared to FY12. Encouragingly, the businesses had strong fourth quarters, achieving period-on-period growth
- During the year we added to our capability through the acquisitions of QPRO and the supply chain certification services business of the Steritech Group
- Outlook for FY14 is for organic revenue growth to return to trend range of 5-7%

4. Outlook

- Stronger (than FY13) organic revenue growth expected in FY14 driven by:
  - Continued solid growth in subscription revenue in the Standards Publishing Business
  - Growth in the Property business due to new business wins an improving property market and a full year of ANZ and CBA
  - Return to trend growth (5-7%) in Assurance
  - Potentially favourable currency movements
- These factors are expected to drive EBITDA and margins higher for these businesses
- Compliance Services revenue is expected to grow slightly but higher costs associated with rectifying the operational issues are expected to result in a lower EBITDA outcome
- Overall, SAI is expected to report growth in both revenue and EBITDA in FY14

5. Q & A