Slater & Gordon

Slater & Gordon Lawyers

Acquisition of Keddies

Investor Presentation
October 2010

Andrew Grech - Managing Director

Disclaimer and Important Notice

Slater & Gordon
Lawyers

Reputation & Results™

Summary information

The following disclaimer applies to this document and any information provided regarding the information contained in this document (the "Information"). The Information in this presentation is of general background and does not purport to be complete. It should be read in conjunction with Slater & Gordon Limited's ("Slater & Gordon" or the "Company") other periodic and continuous disclosure announcements lodged with ASX Limited, which are available at www.asx.com.au. You are advised to read this disclaimer carefully before reading or making any other use of this document or any information contained in this document. In accepting this document, you agree to be bound by the following terms and conditions including any modifications to them.

Not financial or product advice

This presentation is for information purposes only and is not a financial product or investment advice or a recommendation to acquire Slater & Gordon shares, and has been prepared by Slater & Gordon without taking into account the objectives, financial situation or needs of individuals. You are solely responsible for forming your own opinions and conclusions on such matters and the market and for making your own independent assessment of the Information. You are solely responsible for seeking independent professional advice in relation to the Information and any action taken on the basis of the Information. Before making an investment decision prospective investors should consider the appropriateness of the information having regard to their own objectives, financial situation and needs and seek legal and taxation advice appropriate to their jurisdiction. Slater & Gordon is not licensed to provide financial product advice in respect of Slater & Gordon shares. Cooling off rights do not apply to the acquisition of Slater & Gordon shares.

Financial data

All dollar values are in Australian dollars (A$) unless stated otherwise. Slater & Gordon's results are reported under Australian International Financial Reporting Standards, or AIFRS. The pro forma historical financial information included in the Information does not purport to be in compliance with Article 11 of Regulation S-X of the rules and regulations of the U.S. Securities and Exchange Commission. Investors should also be aware that certain financial data included in the Information are "non-GAAP financial measures" under Regulation G of the U.S. Securities Exchange Act of 1934, as amended, including gearing ratios. The disclosure of such non-GAAP financial measures in the manner included in the Information would not be permissible in a registration statement under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"). These non-GAAP financial measures do not have a standardised meaning prescribed by Australian Accounting Standards and, therefore, may not be comparable to similarly titled measures presented by other entities, nor should they be construed as an alternative to other financial measures determined in accordance with Australian Accounting Standards. Readers are cautioned, therefore, not to place undue reliance on any non-GAAP financial measures included in the Information.

Past performance

Past performance information given in this presentation is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance.

Disclaimer and Important Notice

Slater & Gordon
Lawyers

Reputation & Results™

Future performance

The presentation includes forward-looking statements regarding future events and the future financial performance of Slater & Gordon. Forward looking words such as "expect", "should", "could", "may", "predict", "plan", "will", "believe", "forecast", "estimate", "target" or other similar expressions are intended to identity forward-looking statements. Any forward looking statements included in this document involve subjective judgment and analysis and are subject to significant uncertainties, risks and contingencies, many of which are outside the control of, and are unknown to, Slater & Gordon and its officers, employees, agents or associates. In particular, the risk factors detailed in this presentation may affect the future operating and financial performance of Slater & Gordon . Actual results, performance or achievement may vary materially from any forward looking statements and the assumptions on which those statements are based. The Information also assumes the success of Slater & Gordon's business strategies. The success of the strategies is subject to uncertainties and contingencies beyond Slater & Gordon's control, and no assurance can be given that the anticipated benefits from the strategies will be realized in the periods for which forecasts have been prepared or otherwise. Given these uncertainties, you are cautioned to not place undue reliance on any such forward looking statements. Slater & Gordon undertakes no obligation to revise the forward looking statements included in this presentation to reflect any future events or circumstances.

Investment Risk

An investment in Slater & Gordon shares is subject to investment and other known and unknown risks, some of which are beyond the control of Slater & Gordon.
Slater & Gordon does not guarantee any particular rate of return or the performance of Slater & Gordon. Persons should have regard to the risks outlined in the Information.

Not an offer

The distribution of this Information in jurisdictions outside Australia may be restricted by law and you should observe any such restrictions.

The Information does not constitute an offer, invitation, solicitation or recommendation in relation to the subscription, purchase or sale of securities in any jurisdiction and neither this presentation nor anything in it shall form the basis of any contract or commitment. In particular, this presentation and the Information do not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States or to any person that is, or is acting for the account or benefit of, a U.S. person (as defined in Regulation S under the U.S. Securities Act) ("U.S. Person"). The securities to be offered and sold have not been, and will not be, registered under the U.S. Securities Act or the securities laws of any state or other jurisdiction of the United States. Accordingly, the securities to be offered and sold may not be offered or sold, directly or indirectly, in the United States or to, or for the account or benefit of, any U.S. Person, except in a transaction exempt from, or not subject to, the registration requirements of the U.S. Securities Act and the applicable securities laws of any state or other jurisdiction of the United States. This document may not be distributed or released in the United States or to any U.S. Person.

Disclaimer

Except as required by law, no representation or warranty, express or implied, is made as the fairness, accuracy, completeness, reliability or correctness of the Information, opinions and conclusions, or as to the reasonableness of any assumption contained in this document. By receiving this document and to the extent permitted by law, you release Slater & Gordon and its officers, employees, agents and associates from any liability (including, without limitation, in respect of direct, indirect or consequential loss or damage or loss or damage arising by negligence) arising as a result of the reliance by you or any other person on anything contained in or omitted from this document.

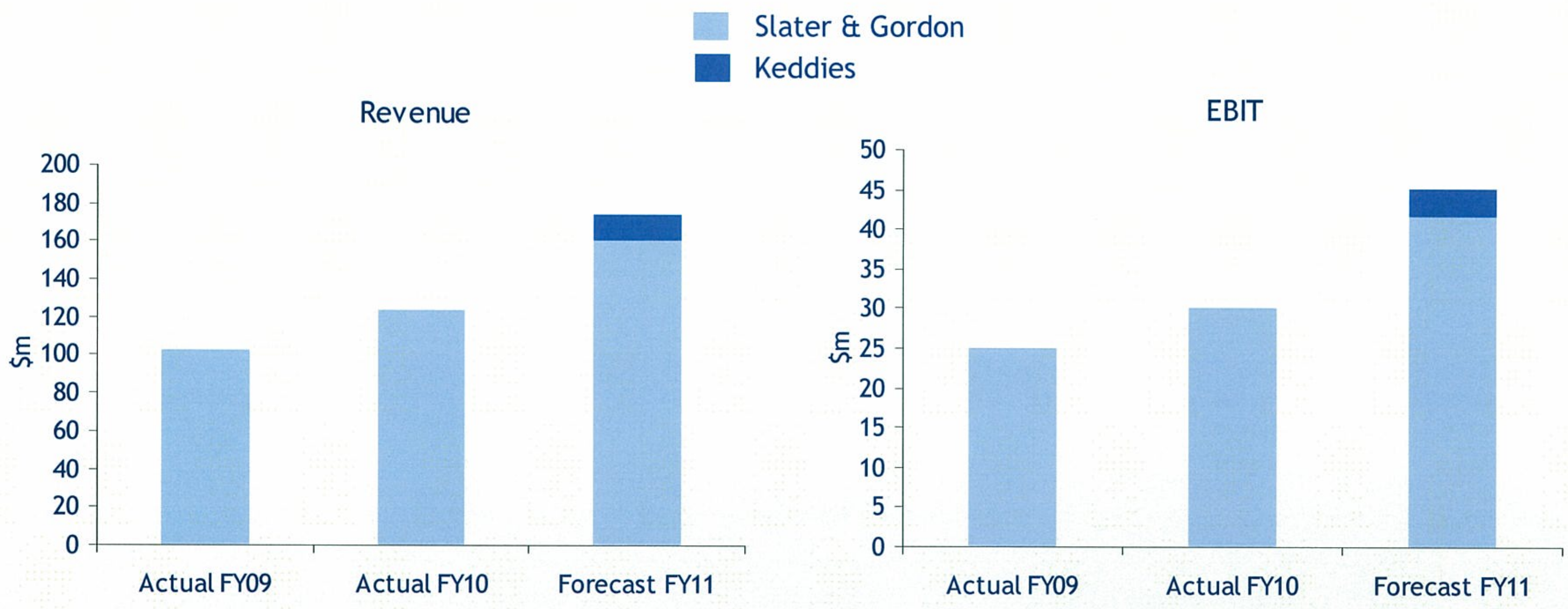
Highlights

- Slater & Gordon has reached an in principle agreement to acquire Keddies Lawyers Pty Ltd, the largest, specialist personal injury litigation firm in NSW for $35 million, subject to executed documentation and due diligence

- Significant acquisition providing expanded geographic coverage and scale
  - Compelling strategic rationale, amplifying Slater & Gordon's presence into the growing Western Sydney area
  - Attractive acquisition metrics - 14% earnings per share accretive in full year terms
  - Funded by combination of cash and bank debt

Financial Impact

- Keddies has a consistent record of delivering profitable growth
- Acquisition is expected to be 14% earnings per share accretive in FY11



Acquisition Consideration

		$m
Completion Date Cash Payment		20.5
Deferred Cash Payment	- Year 1	5.3
	- Year 2	3.5
	- Year 3	2.0
Equity Issue to Vendors (subject to 3-5 year escrow)		3.7
Total Cost		**35.0**

- 2 principals will remain involved in the business and have accepted part cash and part equity ($2.0m in SGH shares)
- 1 of the principals will retire from legal practice and is to be paid in cash (payment partly deferred)
- $1.7m in equity issued to Vendors represents Slater & Gordon shares to be issued to 11 continuing employees

Overview of Keddies

- Established in 1979
- Grown to become one of NSW's largest specialist personal injury litigation practices
- 3 offices in Western Sydney (Redfern, Ashfield, Liverpool) plus Wollongong and Brisbane
- Significant market share of NSW personal injury market (10%)

Strategic Rationale

Slater & Gordon
Lawyers

Reputation & Results™

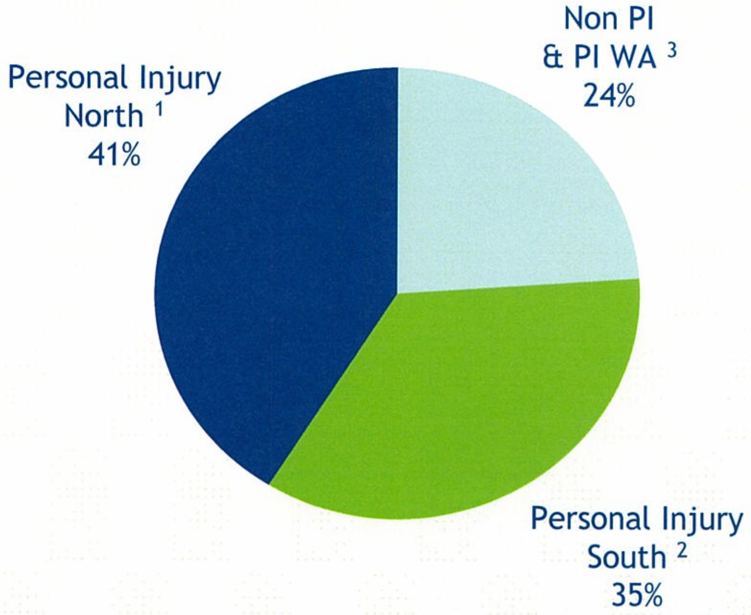
- Diversification of earnings through expansion of geographic coverage
- Building scale in NSW and in Western Sydney in particular, one of the fastest growing regions in Australia
- Provides strategic growth platform in the NSW market

Expansion and diversification of revenue base

Slater & Gordon Lawyers

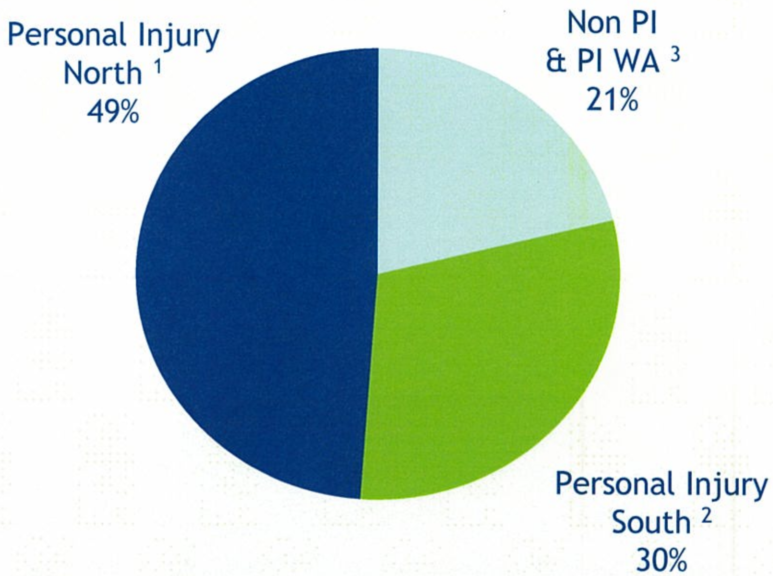
Reputation & Results™

Revenue Source (Pre Keddies Acquisition)



Based on FY10 Actual Revenue

Revenue Source (Post Keddies Acquisition)



1. *Includes Civil Liability, Motor Vehicle Accidents and Workers Compensation in NSW, ACT & Qld*
2. *Includes Civil Liability, Motor Vehicle Accidents and Workers Compensation in Vic, SA, NT & Tas*
3. *Includes Commercial & Project Litigation, Business & Private Clients and Family practice groups nationally and all practice groups in Western Australia*

Personal Injury Market

Market share of personal injury market*

	Slater & Gordon Lawyers	TRILBY MISSO because we care	KEDDIES LAWYERS	Slater & Gordon Lawyers + TRILBY MISSO + KEDDIES LAWYERS
Victoria	20-25%	-	-	20-25%
Queensland	<5%	15-20%	<1%	20-25%
NSW	~7%	-	10%	~20%
National	12-15%	~5%	~5%	20-25%

- Acquisition of Keddies will be a boost to Slater & Gordon's strategic goal of leading the Australian personal injuries litigation market
- Opportunities to build on existing national footprint

* Market share is based on an actuary study commissioned by management in March 2010

Keddies acquisition implementation program

Slater & Gordon Lawyers

Reputation & Results™

Acquisition of Keddies

Issue	Response
• Completion	• Extensive due diligence already conducted
• Due diligence	• Due diligence has included a review of representative sample of Keddies client files by experienced Slater & Gordon staff
• Government actions and legal developments	• Monitoring of changes in government policy and regulatory framework
• Integration:	
• Personnel	• Key employees will become Slater & Gordon shareholders and have responded positively to acquisition. Shares to be subject to 5 year escrow
• Practice Management System (PMS) Change-over	• Migration of Keddies onto Slater & Gordon's systems will be deferred until August 2011 which follows Trilby Misso PMS changeover

Bank Covenant Impact

Slater & Gordon Lawyers

Reputation & Results™

- Slater & Gordon is to fund the cash component of the acquisition price from its debt facilities and cash flow
- New debt facility of $95m – revision to facility contemplates this and future acquisitions

- Slater & Gordon's balance sheet remains strong following acquisition

	Pre Transaction (Oct 2010)	Post Transaction
Gearing (Debt / Equity)	20.1%	32.6%
Forecast Interest Cover (FY11)	12.2x	10.3x
Net Bank Debt / EBIT	0.7x	1.1x