UK Acquisitions Update

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Not a problem.

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Lawyers

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Overview of Pannone

PANNONE

- Highly respected regional law firm with strong PI reputation
- Based in Manchester with a small office in London
- S&G to acquire consumer law business
- Approximately 400 staff transferring, including key people:
  - Current Manchester office maintained initially
  - Current PMS maintained initially
  - Brand integration to occur over time
- Forecast acquired annual revenue of £34.5m
- Proposed completion late February 2014

Acquisition Consideration	£M	A$M[1]
Cash at Completion (including debt retirement)	£18.5	$30.8
Upfront Equity (subject to restraints on sale for up to 3 years)	£3.5	$5.8
Deferred & conditional cash (FY14 £2.3m, FY15 £2.9m, FY16 £0.7m, FY17 £1.1m)	£7.0	$11.7
Deferred & conditional equity (FY15 £2.0m, FY16 £0.8m, FY17 £1.2m)	£4.0	$6.7
Total Acquisition Consideration	**£33.0**	**$55.0**

1. *Assumes GBP:AUD exchange rate of £0.60*

Impact of UK Acquisitions

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Expected acquired annual revenue base of approximately A$121m[1]. (FY13 UK Revenue A$70m)

EBITDA acquisition multiples in the range of 3.5x – 4.5x (FY14 weighted average of 4.2x)

Acquisitions EPS accretive in FY14

	Annualised Revenue £M	Annualised Revenue A$M[1]	FY14 Pro Rata Revenue £M	FY14 Pro Rata Revenue A$M[1]	Completion Date
Taylor Vinters, Goodmans, Pickerings	£10.3	$17.2	£8.0	$13.3	August – November 2013
Fentons	£27.7	$46.2	£20.7	$34.5	September 2013
Pannone	£34.5	$57.5	£11.5	$19.2	Late February 2014
Total	**£72.5**	**$120.8**	**£40.2**	**$67.0**	

1. *Assumes GBP:AUD exchange rate of 0.60*

FY14 Outlook Update

- **S&G FY14 guidance (excluding acquisitions)**
  - Total Group revenue A$320m
    (Includes UK Revenue A$80m[1])
  - Group EBITDA margin 23-24%

- **Impact of acquisitions on FY14 revenue**
  - Total acquisition FY14 revenue A$67m[1]

- **Consolidated FY14 revenue forecast (including all acquisitions)**
  - Total Group revenue A$387m
    (Includes UK revenue A$147m[1])
  - Group EBITDA margin 24-25%

1. *Assumes GBP:AUD exchange rate of 0.60*

UK Update

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Strategic Rationale

- Changes in the UK legal environment are driving consolidation of the consumer legal services market
- No dominant law firm brand currently exists in consumer legal services in the UK
- UK business provides future growth platform in a market that is 4–5 times the size of the Australian market

UK strategy: Build direct to consumer brand as law firm of choice for individuals

UK Business Update

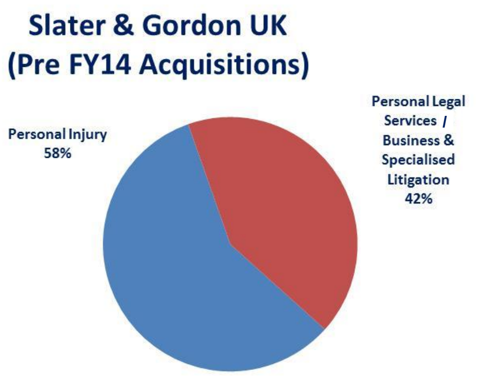
- UK acquisition bedded down and performing according to expectations
- RJW completed its re-branding in February 2013 and is now trading as S&G
- Previous FY14 earnings guidance for base business in UK confirmed

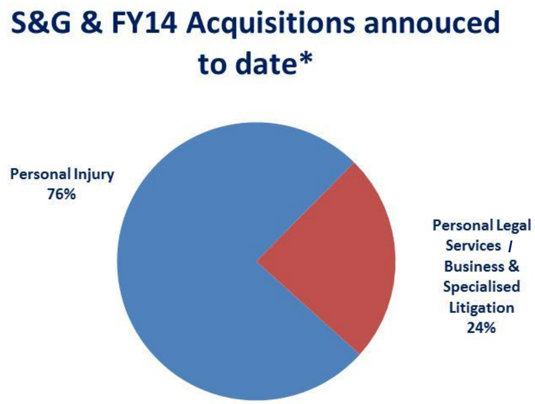
Growth Strategy Execution Update

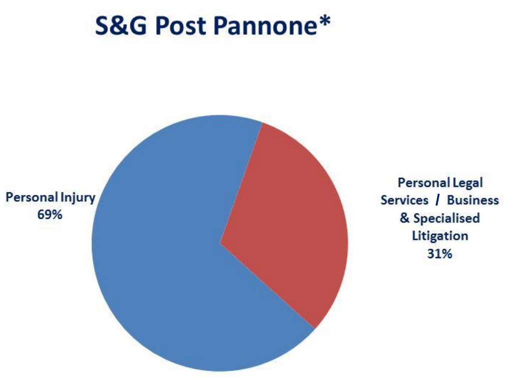
- S&G has identified a number of accelerated growth opportunities which expand our geographic presence and strengthen our position in the plaintiff personal injuries legal market
- Completion of four transactions (Taylor Vinters – August 2013, Goodmans – August 2013, Fentons – September 2013 and John Pickering & Partners on 27 November 2013)
- Acquisition of consumer legal services practice of Pannone Solicitors LLP delivers significant additional scale

S&G UK

Practice Group Mix







** Based on annualised fees.*

PI Market Share

- **S&G PI market[1] share 1-2% pre FY14 acquisitions, now >5% post Pannone.**

1. *Based on Datamonitor report 2013 and management estimates.*