

MEDIA & ASX ANNOUNCEMENT**26 May 2014**

Andrew Dutton appointed Executive Chairman, effective immediately – decision to terminate employment of CEO.

Company considering unsolicited, indicative, conditional and non-binding acquisition proposal from Pacific Equity Partners Pty Limited

Sydney: The Board of SAI Global Limited (ASX: SAI or “the Company”) has appointed its current Non-Executive, Independent Chairman, Andrew Dutton, as Executive Chairman, effective immediately. Mr Dutton’s appointment follows the Board’s decision to serve notice of termination of employment to Chief Executive Officer, Mr Stephen Porges.

In addition, SAI announces that it has received an unsolicited, indicative, conditional and non-binding proposal (“Indicative Proposal”) from Pacific Equity Partners Pty Limited (“PEP”) to acquire 100% of the outstanding shares in the Company through a recommended scheme of arrangement for an indicative price in the range of \$5.10 to \$5.25.

CEO contract termination

Mr Dutton said the decision to terminate Mr Porges’ contract of employment was reached after it had become clear that there were fundamental differences of opinion between him and the Board. These differences primarily concerned both the detail and the pace of implementation of the Company’s strategic business improvement objectives.

“Last week, it became clear to the Board that we were unlikely to resolve the differences between the Non-executive Directors and the CEO regarding the changes required and the pace of those changes to deliver the business improvements that we are seeking over the short to medium term.

“As a result, the Board has determined that the course of action that is in the best interests of shareholders is to terminate Mr Porges’ employment with the Company.

“Until a suitable successor is identified and appointed, I will serve as Executive Chairman”.

“The Company has a commitment that it will provide an update on the progress towards our business improvement objectives at the time of the Company’s full year results this coming August”, Mr Dutton said.

Mr Dutton is well placed to take over executive leadership of the business and to drive completion of the business improvement plan.

His six years experience on the SAI Board has provided him with a detailed understanding of the Company’s businesses and their markets. Further, Mr Dutton’s executive career includes extensive experience in senior executive roles with multinational companies in both IT and

Financial Services including CA Inc (formerly Computer Associates), Visa International, VM Ware Inc, BEA Systems and IBM.

Receipt of unsolicited, indicative, conditional and non-binding proposal from PEP

The Board of SAI has received an Indicative Proposal from PEP to acquire 100% of the outstanding shares in SAI Global Limited through a recommended scheme of arrangement for an indicative price in the range of \$5.10 to \$5.25.

At this stage, the Board has not formed a view as to the merits of the Indicative Proposal. The Board is open to engaging with PEP to determine whether a binding proposal that is capable of being put to shareholders with the recommendation of the SAI Board, can be developed. The Board has appointed Macquarie Capital and Gilbert and Tobin to assist in this process.

The Board cautions that the Indicative Proposal is non-binding, conditional and subject to due diligence. There is no guarantee that a proposal capable of being put to shareholders will eventuate.

Shareholders do not need to take any action in relation to the Indicative Proposal.

FY14 Outlook

The Company advises that its previous guidance on underlying performance for FY14 is unchanged, that is, FY14 underlying performance will be in line with that achieved in FY13. However, significant items before CEO transition costs are expected to amount to approximately \$7 million and largely comprise costs associated with a reduction in headcount and consolidation of some offices, leading to cost savings from 2015.

The Board and management are continuing to work on opportunities to improve operational efficiencies and anticipate announcing further restructuring costs and benefits at the time of the full year results in August.

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Additional Information

CEO Contract Termination

- Mr Porges has received six months' notice of termination of his contract of employment.
- He will continue to be employed by the Company on duties directed by the Executive Chairman until the end of the notice period.

Executive Chairman Remuneration

- The terms of Mr Dutton's remuneration will be determined by the Board's Remuneration Committee at its next meeting and disclosed to the market as soon as practicable thereafter.

ENDS