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McMillan
Shakespeare
Limited

McMillan Shakespeare and Eclipx merger

8 November 2018

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Financial data

All dollar values are in Australian dollars (\$) unless stated otherwise.

Effect of rounding

A number of figures, amounts, percentages, estimates, calculations of value and fractions in this presentation are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this presentation.

Transaction highlights

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Transaction announcement	<ul style="list-style-type: none"> McMillan Shakespeare Limited ("MMS", ASX: MMS) to merge with Eclipx Group Limited ("Eclipx", ASX: ECX) via Eclipx scheme of arrangement
Offer consideration	<ul style="list-style-type: none"> Scrip and cash: 0.1414 MMS shares and \$0.46 cash offered for each Eclipx share held, implying a total value of \$2.85 per Eclipx share based on MMS' last closing price of \$16.90 on Wednesday, 7 November 2018 The consideration represents a 33.2% premium to Eclipx's undisturbed price of \$2.14 on Friday, 17 August 2018¹
Combined Group	<ul style="list-style-type: none"> Creates a leading Australian and New Zealand salary packaging and fleet management company Approximately \$50 million in EBITDA run-rate synergies per annum expected to be fully realised within three years following full integration Expected to be EPS accretive pre synergies
Board and management composition	<ul style="list-style-type: none"> Three Eclipx directors to join the MMS Board Mike Salisbury and Mark Blackburn to continue as CEO and CFO respectively Senior management of both MMS and Eclipx to participate as Executives of the Combined Group
Timing	<ul style="list-style-type: none"> The scheme is expected to be implemented in Q1 2019
Board support	<ul style="list-style-type: none"> The merger is unanimously recommended by the Board of Eclipx, in the absence of a superior proposal and subject to an independent expert concluding that the merger is in the best interests of the Eclipx shareholders

1. Last trading day prior to SG Fleet's unsolicited, non-binding and indicative proposal to acquire all shares in Eclipx for \$2.52

Compelling combination

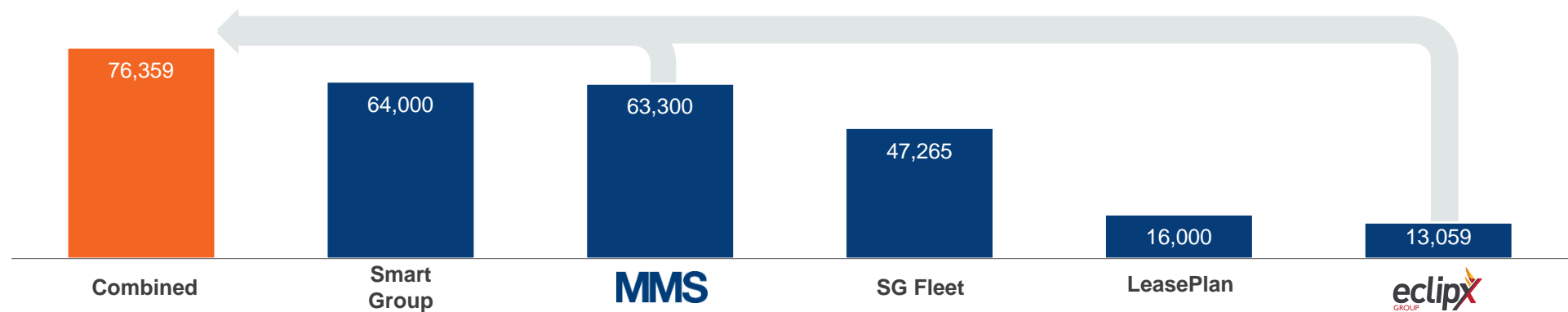
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<p>✓ Merger of two complementary businesses</p>	<ul style="list-style-type: none"> ■ Combining the best-in-breed of both organisations including Eclipx's operating lease business and MMS' salary packaging and novated business ■ Provides existing and new customers additional value through enhanced products and services ■ Strengthens combined geographies across Australia, New Zealand and the United Kingdom
<p>✓ Significant synergies</p>	<ul style="list-style-type: none"> ■ Approximately \$50 million in EBITDA run-rate synergies per annum expected to be fully realised within three years following full integration
<p>✓ Greater scale and stronger balance sheet position</p>	<ul style="list-style-type: none"> ■ Additional growth opportunities in the merging business units of MMS and Eclipx arising from access to the enlarged customer base ■ Increased liquidity and access to capital ■ Conservatively geared with an estimated Net Debt / EBITDA of 0.9x¹
<p>✓ Shareholder value</p>	<ul style="list-style-type: none"> ■ Anticipated to generate shareholder value and be earnings accretive in the first full year following completion ■ Scrip consideration enables all shareholders to maintain investment in the Combined Group and benefit from the synergies

¹ Net debt / EBITDA calculated on corporate net debt

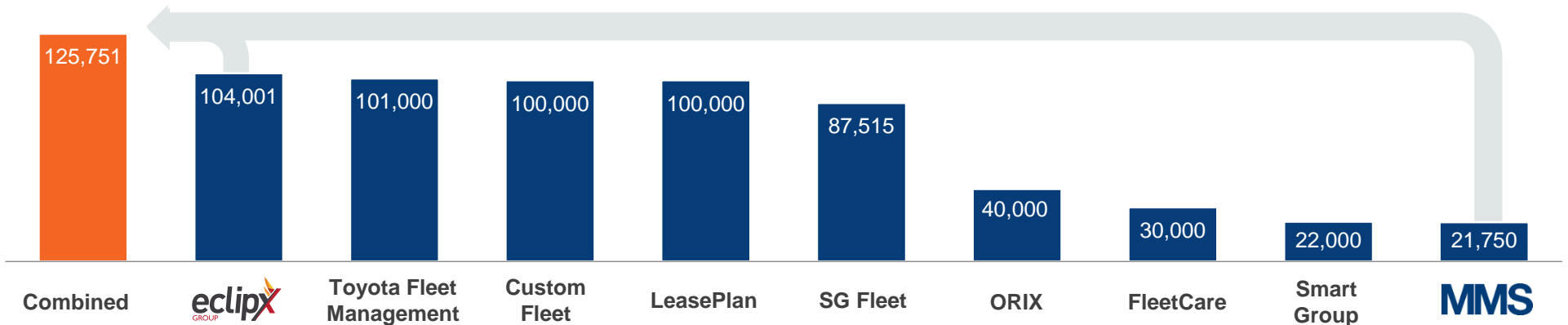
Creates a leading Australian and New Zealand salary packaging and fleet management company

Novated lease landscape in ANZ (units)



Sources: SIQ 1H18 results presentation (page 8), MMS FY18 results presentation (page 4), SGF FY18 results presentation (pages 14 and 15), LeasePlan management estimates and Eclix as at 30 September 2018

Fleet management landscape in ANZ (units)



Sources: Eclix as at 30 September 2018, Toyota Fleet Management, Custom Fleet, ORIX and FleetCare: Under the Hood, Citi broker research, 30 November 2017 (page 9), LeasePlan management estimates, SGF total units less 12,923 UK units as reported in FY18 results presentation (pages 14 and 15) and Citi broker research (page 20), SIQ 1H18 results presentation (page 8) and MMS total units less UK units (21,000) as reported in FY18 results presentation (pages 4 and 22)

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Combined strength and breadth of merged business



347,909
Salary packages¹



76,359
Novated leases¹



\$3,945m
Net amount financed¹



146,751
Assets managed^{1,2}
(units)



\$2,078m
Assets managed³
(WDV)



2,569
Average employees¹

1. As reported in MMS' FY18 results presentation. Eclipx as at 30 September 2018

2. Includes MMS' 21,000 UK units

3. Assets managed relates to on balance sheet funded assets only. As reported in MMS' FY18 results presentation less \$41m of off balance sheet financing. Eclipx as at 30 September 2018

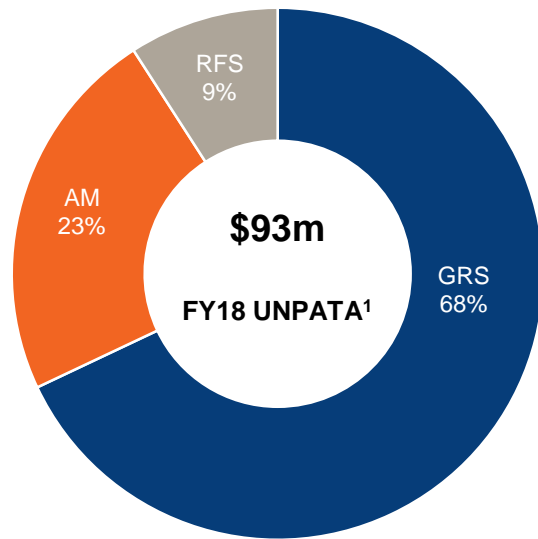
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Stronger and more diversified earnings contribution¹

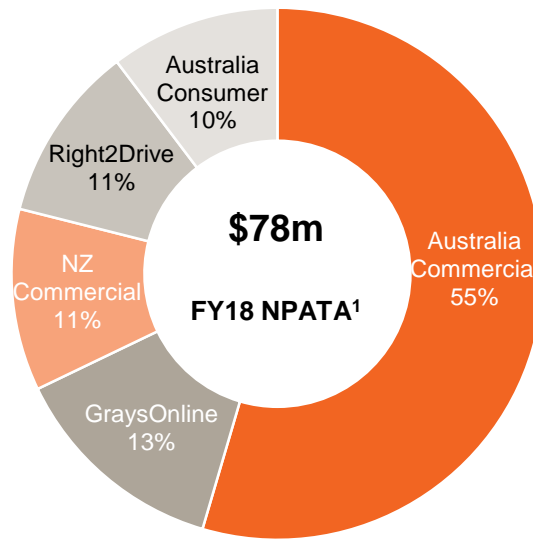
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MMS

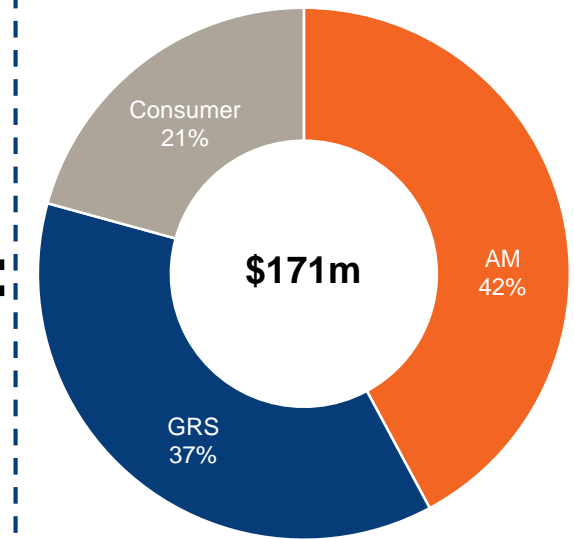
Combined Group



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1. Eclipx earnings defined as "NPATA" and is adjusted for the after tax impact of software amortisation; MMS does not recognise this adjustment within its reporting of "UNPATA"

Sources: MMS FY18 UNPATA as reported in FY18 results presentation. Eclipx as at 30 September 2018

\$50 million in EBITDA run-rate synergies per annum expected to be fully realised within three years

Synergy category	Commentary
Board and public company costs	■ Amalgamation of two boards into one and the removal of duplicated listing fees
Property	■ Rationalisation of property footprint
Information and technology	■ Consolidation of two IT platforms, removal of duplicated investment and associated reduction in operating expenses
Employee	■ Workforce efficiency improvements
Supply and procurement	■ Benefits arising from supply chain integration and economies of scale
Cost of Funds	■ Use of Eclix funding structures to reduce the Combined Group's cost of funds
Novated lease	■ Participation growth
End of Lease	■ Utilisation of GraysOnline platform to drive end of lease returns
Retail book	■ Supply chain economies of scale

■ Net one off integration and capex estimated at approximately \$20m

Overview of the Combined Group

- Combined Group enterprise value of approximately \$2,374m and market capitalisation of \$2,144m
- Conservatively geared business with an estimated net debt / EBITDA of 0.9x⁴

Key metrics	MMS	eclix GROUP	Combined Group
Market Cap ¹ (\$m)	1,369	776	2,144
Net debt (net cash) ² (\$m)	(49)	278	230
Enterprise value (\$m)	1,320	1,054	2,374
ASX 200 position ³	165	191	131
ND/FY18 EBITDA ⁴	Net cash	2.2x	0.9x
On balance sheet funding⁵			
On balance sheet funding total (\$m) and funding split ⁵ (%)	<p>Corporate 13% Fleet funded 87% \$338m</p>	<p>Corporate 19% Warehouse 54% ABS 27% \$1,824m</p>	<p>Fleet funded 14% Warehouse 45% Corporate 18% ABS 23% \$2,163m</p>

1 MMS market cap as at 7 November 2018. Eclix pro-forma market cap calculated as implied offer price less cash component multiplied by fully diluted shares outstanding

2 Net debt calculated as corporate debt less available cash. Excludes fleet related debt.

3 ASX 200 positions as at 1 September 2018

4 Net debt / EBITDA calculated on corporate net debt

5 On balance sheet funding split; MMS' \$338m as reported in FY18 results presentation, Eclix's \$1,824m as at 30 September 2018

Summary

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Creates a leading Australian and New Zealand salary packaging and fleet management company

Leverages existing operational and financial strength

Highly complementary and synergistic businesses with strong mutual cross-sell opportunities

Generates shareholder value and earnings accretion

Delivers an improved offering for clients and career development opportunities for employees

Indicative Timetable

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First Court Hearing to approve dispatch of Scheme Booklet and convene Eclipx Scheme Meeting	December 2018 / early January 2019
Eclipx Scheme Booklet dispatched to Eclipx shareholders	December 2018 / early January 2019
Eclipx Scheme Meeting	February 2019
Second Court Hearing	February 2019
Implementation Date	Q1 2019
