



DWS Limited (and Controlled Entities)

ACN 085 656 088

4 May 2017

Independent Expert concludes the Scheme is in the best interests of SMS shareholders

Court approves convening of Scheme Meeting for 14 June 2017

DWS Limited ("DWS") refers to the announcement earlier today by SMS Management & Technology Limited ("SMS") (ASX:SMX) that the Supreme Court of Victoria (the "Court") has ordered that a meeting of SMS shareholders ("Scheme Meeting") be convened and held to consider and vote on the previously announced Scheme of Arrangement ("Scheme"), whereby it is proposed that DWS will acquire 100% of the issued share capital of SMS.

If the Scheme is approved by SMS shareholders and all conditions precedent are satisfied or waived, SMS shareholders will receive \$1.00¹ in cash and 0.39 DWS shares ("Scheme Consideration") for each SMS share. The implied enterprise value of the transaction is \$120m² which will be funded by approximately \$79m in new debt and approximately 26.73m new DWS shares.

Independent Expert's Report and recommendation

DWS notes that the Independent Expert appointed by SMS, KPMG Financial Advisory Services (Australia) Pty Ltd, has concluded that the Scheme is both fair and reasonable and, therefore, is in the best interests of SMS shareholders, in the absence of a superior proposal.

The Directors of SMS continue to unanimously recommend that SMS shareholders vote in favour of the Scheme in the absence of a superior proposal or the Independent Expert changing or qualifying its conclusion that the Scheme is in the best interests of SMS shareholders. Subject to those same qualifications, the Directors of SMS also intend to vote any SMS shares in their control in favour of the Scheme.

¹Based on no special dividend being paid to SMS shareholders. Under the Scheme, the cash component of the Scheme Consideration will be reduced by the cash value of any special dividend paid to SMS shareholders.

²Based on SMS net debt of \$10.3m (excludes finance leases and bank guarantees) as at 31 December 2016, SMS total issued shares of 68.5m and DWS share price of \$1.56 at 28 April 2017. Enterprise value excludes SMS and DWS transaction costs.



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DWS notes that the Scheme Booklet is anticipated to be despatched to SMS shareholders on or about 15 May 2017 and that the Scheme Meeting is to be held on 14 June 2017.

DWS shareholders are not required to take any action to implement the Scheme.

For more information, please contact:

Investors / Media

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About SMS

SMS is an ASX-listed Australian business specialising in business and IT advisory, technology solutions, managed services and recruitment. SMS cultivates innovation, digital, mobile and design-led business and technology capability to empower organisations across all industry sectors. With over 1,400 staff across Australia, Hong Kong, Singapore and the Philippines, SMS promotes and delivers next-generation customer-centric outcomes for our clients.

For more information please visit www.smsmt.com

About DWS

DWS is an ASX-listed Australian IT services Group, delivering excellence and innovation in our IT solutions since 1992. DWS has in excess of 650 employees with offices in Melbourne, Sydney, Adelaide, Brisbane, Canberra and Coolangatta and provides services to a broad range of blue-chip corporate clients and State and Federal Government agencies. DWS provides a broad and flexible suite of integrated solutions spanning IT Consulting Services, Digital Solutions and Customer Led Innovation, Strategic Sourcing and Productivity Services, Business Analytics and Managed Application Services.

For more information please visit www.dws.com.au
