

ASX ANNOUNCEMENT

4 May 2017

Court approves convening of Scheme Meeting for 14 June 2017

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

Court Approval

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

If the Scheme is approved by the requisite majorities of SMS shareholders and all conditions precedent are satisfied or waived (where capable of waiver), SMS shareholders will receive:

- \$1.00 in cash; and
- 0.39 DWS shares

("Scheme Consideration") for each of their shares in SMS on the implementation date of the Scheme (which is expected to be Monday, 3 July 2017).

Further, the Directors of SMS have retained a discretion to pay a fully-franked special dividend of up to a maximum of 10.2 cents per SMS share. Any special dividend declared will be subject to the Scheme becoming effective and a favourable draft ATO class ruling being obtained. The \$1.00 in cash consideration will be reduced by the cash value of any special dividend paid. If declared, the special dividend is expected to be paid on or shortly before the implementation date of the Scheme.

The Scheme Meeting will be held at 11.00 am (Melbourne time) on Wednesday, 14 June 2017 at Level 2 of the RACV Club, located at 501 Bourke Street, Melbourne, Victoria.

Information relating to the Scheme, including the explanatory statement for the Scheme and the notice convening the Scheme Meeting, will be included in the Scheme Booklet which will be sent to SMS shareholders following registration of the Scheme Booklet with the Australian Securities and Investments Commission ("ASIC") and lodgement with the ASX.

A further announcement attaching the Scheme Booklet will be released by SMS following registration of the Scheme Booklet with ASIC.

Independent Expert's Report

The Independent Expert, 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 conclusion of the Independent Expert should be read in context with the full Independent Expert's Report and the Scheme Booklet.

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Recommendation

The Directors of SMS continue to unanimously recommend that SMS shareholders vote in favour of the Scheme at the Scheme Meeting on Wednesday, 14 June 2017 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 also intend to vote any SMS shares in their control in favour of the Scheme.

Indicative Timetable

Event	Date
Scheme booklet despatched to SMS shareholders	Monday, 15 May 2017
Latest time and date for receipt of proxy forms (including proxies lodged online) or powers of attorney by the SMS Share Registry for the Scheme Meeting	11.00 am on Monday, 12 June 2017
Scheme Meeting to vote on the Scheme	11.00 am on Wednesday, 14 June 2017
Second Court Date for approval of the Scheme	Monday, 19 June 2017
Effective Date (Court order lodged with ASIC; SMS Shares suspended on the ASX from close of trading)	Tuesday, 20 June 2017
Special Dividend Record Date (for determining entitlement to Special Dividend, if declared)	Friday, 23 June 2017
Scheme Record Date (for determining entitlements to Scheme Consideration)	Monday, 26 June 2017
Special Dividend Payment Date (if declared and subject to the Scheme becoming effective)	Monday, 3 July 2017
Implementation Date (Scheme Consideration will be despatched to the Scheme Shareholders, subject to the Scheme becoming effective)	Monday, 3 July 2017

For further information please contact:

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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 Limited (DWS) is a leading 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