

MSA in Australian hands after buy back from Zurich

Melbourne, Australia. 10 March 2004. Leading salary packaging administration provider McMillan Shakespeare Australia (**MSA**) has returned to Australian ownership following a \$32.5 million acquisition from Zurich Australia Limited (**Zurich**) by a syndicate of MSA management and employees and private investors.

The syndicate, which was incorporated as McMillan Shakespeare late last year for the specific purpose of acquiring MSA from Zurich, raised \$10.5 million through an initial public offer (**IPO**) fully underwritten by Lodge Partners Pty Ltd. The offer opened on 20 February 2004 and closed on 25 February 2004. MSA is expected to list on 15 March 2004.

With the \$32.5 million acquisition completed today, Anthony Podesta, the founder of MSA and managing director of McMillan Shakespeare, said he felt proud that MSA is again a wholly Australian-owned company in which many employees have equity through their subscription in the IPO.

“A significant number of our workforce has subscribed for shares in the IPO which is indicative of the support and backing for the acquisition from the entire MSA team,” said Mr Podesta.

The demand for shares in the IPO from all sources has been extremely strong. With the depth of institutional interest in the IPO, the relatively small number of shares available to retail investors were rapidly taken up.

The acquisition allows MSA greater autonomy and independence to pursue growth opportunities.

“Well planned growth and expansion are a key business objective for McMillan Shakespeare. We have invested in new customer platforms over the past three years, and as a result we are fully equipped to pursue future business opportunities. We plan to leverage off our existing infrastructure to deliver lower unit costs,” said Mr Podesta.

Additionally, MSA has recently invested over \$5 million in a new purpose-built proprietary IT system to further improve customer service and processing efficiencies to handle anticipated demand for its services.

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About MSA

MSA is considered a market leader in the provision of salary packaging administration. Its services include remuneration policy design, salary packaging benefit administration, motor vehicle lease management and taxation recording. MSA also provides a complementary fleet management service, including the procurement of motor vehicles and finance and fuel card and service maintenance programs. With significant growth over the past few years, MSA currently services 700 employer clients who represent in excess of 70,000 employees.

About the investors

MSA is owned by a syndicate of current management, employees and private investors. The major investors are John Bennetts and Ross Chessari. John Bennetts is a Melbourne-based investor and the founder of Mooroolbark Technology and has been associated with a number of successful ventures, including Datacraft Limited and Cellestis Limited. Ross Chessari is the former managing director of ANZ Asset Management and a founder of SciVentures Investments.