

MARKET ANNOUNCEMENT

29 May 2014

SMS Management & Technology Limited Announces Share Buy-Back

SMS Management & Technology Limited (ASX:SMX) ("SMS") today announced details of an on-market share buy-back of up to 3.5 million of the Company's shares representing approximately 5 per cent of the Company's issued ordinary shares. This initiative is being undertaken as part of the Company's ongoing capital management strategy. The share buy-back is expected to commence on 13 June 2014.

Tom Stianos, Chief Executive Officer of SMS noted that "the Board is of the opinion that the buy-back is in the interests of all shareholders. The buy-back is consistent with SMS' key objectives of ensuring an efficient capital structure, maintaining prudent levels of gearing and having sufficient balance sheet flexibility to continue pursuing current growth initiatives."

In accordance with ASX listing rules, the prices paid for shares purchased under the share buy-back will be no more than 5% above the average closing price of the Company's shares over the five prior trading days. The total number of shares to be purchased by the Company under the buy-back will depend on the prevailing share price, available cash reserves, market conditions and market volumes. The buy-back will be open for no more than 12 months from the date of this announcement. SMS reserves the right to suspend or cancel the buy back at any time. The Company will only buy back shares at such times and in such circumstances as it considers beneficial to the efficient capital management of the Company.

The Company expects that the share buy-back, which will be funded from existing cash reserves, will be EPS accretive.

The Appendix 3C in relation to the on-market share buy-back is attached to this announcement.

For further information please contact:

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About SMS

SMS Management & Technology Limited (SMS) [ASX:SMX] is a leading Asia Pacific consulting, technology and systems integration company employing over 1,600 professionals throughout Australia, Hong Kong, Vietnam and Singapore. Established in 1986, SMS is best known for delivery excellence. SMS helps its clients improve their business performance through the implementation of strategy and the delivery of business and technology projects. Industry expertise spans the financial services, ICT, government, defence, health, utilities, resources and infrastructure sectors. For further information refer to www.smsmt.com

Appendix 3C

Announcement of buy-back (*except* minimum holding buy-back)

Information and documents given to ASX become ASX's property and may be made public.

Introduced 1/9/99. Origin: Appendix 7B. Amended 13/3/2000, 30/9/2001, 11/01/10

Name of entity	ABN/ARSN
SMS Management & Technology Limited	49 009 558 865

We (the entity) give ASX the following information.

Information about buy-back

1	Type of buy-back	On-Market
2	⁺ Class of shares/units which is the subject of the buy-back (<i>eg, ordinary/preference</i>)	Ordinary
3	Voting rights (<i>eg, one for one</i>)	One for one
4	Fully paid/partly paid (<i>and if partly paid, details of how much has been paid and how much is outstanding</i>)	Fully paid
5	Number of shares/units in the ⁺ class on issue	70,099,763
6	Whether shareholder/unitholder approval is required for buy-back	No
7	Reason for buy-back	Capital management

⁺ See chapter 19 for defined terms.

Appendix 3C

Announcement of buy-back

- | | | |
|---|---|---|
| 8 | Any other information material to a shareholder's/unitholder's decision whether to accept the offer (<i>eg, details of any proposed takeover bid</i>) | None, apart from any information publicly disclosed by the Company through the ASX on or prior to the date of this notice |
|---|---|---|

On-market buy-back

- | | | |
|----|---|---|
| 9 | Name of broker who will act on the company's behalf | Macquarie Securities (Australia) Limited |
| 10 | Deleted 30/9/2001. | |
| 11 | If the company/trust intends to buy back a maximum number of shares - that number

<small>Note: This requires a figure to be included, not a percentage.</small> | Up to a maximum number of 5% of the issued ordinary shares of the Company as at the date of this announcement, being 3,504,988 shares. The Company reserves the right to suspend or terminate the buy-back at any time. |
| 12 | If the company/trust intends to buy back shares/units within a period of time - that period of time; if the company/trust intends that the buy-back be of unlimited duration - that intention | The Company intends to buy back shares in the period 13 June 2014 to 12 June 2015 (inclusive) or earlier if the maximum number of shares in item 11 above is bought back prior to that date. The Company reserves the right to suspend or terminate the buy-back at any time. |
| 13 | If the company/trust intends to buy back shares/units if conditions are met - those conditions | N/A |

Employee share scheme buy-back

- | | | |
|----|---|-----|
| 14 | Number of shares proposed to be bought back | N/A |
| 15 | Price to be offered for shares | N/A |

⁺ See chapter 19 for defined terms.

Selective buy-back

- 16 Name of person or description of class of person whose shares are proposed to be bought back N/A
- 17 Number of shares proposed to be bought back N/A
- 18 Price to be offered for shares N/A

Equal access scheme

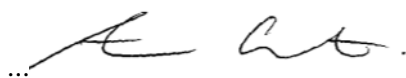
- 19 Percentage of shares proposed to be bought back N/A
- 20 Total number of shares proposed to be bought back if all offers are accepted N/A
- 21 Price to be offered for shares N/A
- 22 ⁺Record date for participation in offer N/A
Cross reference: Appendix 7A, clause 9.

Compliance statement

1. The company is in compliance with all Corporations Act requirements relevant to this buy-back.

or, for trusts only:

1. The trust is in compliance with all requirements of the Corporations Act as modified by Class Order 07/422, and of the trust's constitution, relevant to this buy-back.
2. There is no information that the listing rules require to be disclosed that has not already been disclosed, or is not contained in, or attached to, this form.

Sign here:  Date: ...29/05/2014...
.....
(Company secretary)

Print name:Anna Gorton.....

⁺ See chapter 19 for defined terms.