



Morneau Shepell acquires SBC to strengthen its presence in the U.S.

SBC is a leader in employee benefits administration systems.

January 31, 2012, TORONTO – Morneau Shepell is pleased to announce that it has acquired the business of SBC Systems Company, Inc., a leading provider of employee benefits administration systems, with 2011 revenues of approximately \$7 million. Based in Atlanta, Georgia, SBC serves clients across the U.S. in a wide variety of industries.

“We are delighted with this acquisition which shows our continued commitment to the benefits administration market in the U.S.,” says René Beaudoin, Executive Vice President, US Region and Chief Technology Officer of Morneau Shepell. “This acquisition will help broaden our reach across the U.S. and improve our suite of offerings for current and future clients.”

SBC’s platform manages benefits plans both onsite and through a SaaS (Software as a Service) model. It provides self-service functionality, management reporting, workflow, and integrates with vendors and internal departments, making it easier to manage benefits. The platform can handle multiple business units or country operations in a single installation.

“The SBC management team sees significant opportunity in joining a large and innovative player in administration solutions like Morneau Shepell,” says Peggy Horn, President of SBC. “With the backing of Morneau Shepell, we are very excited about the road ahead, both for our business and our existing clients.”

Morneau Shepell Ltd.

Morneau Shepell Ltd. (“Morneau Shepell”) is the largest Canadian-based firm offering industry-leading benefits and pension consulting, outsourcing, as well as health and productivity solutions. The company works with clients to develop end-to-end insights and solutions that integrate with their business strategies to achieve results. Through Benefits and Health Solutions Consulting, Pension Consulting, Health Management, Administration Solutions and Shepell-fgi’s Employee Assistance Program, Morneau Shepell helps clients reduce costs, increase employee productivity, and improve their competitive positions by supporting their employees’ financial security, health and well-being.

Established in 1966, Morneau Shepell serves over 8,000 clients, ranging from small businesses to some of the largest corporations and associations in North America. With

approximately 2,500 employees in offices across North America, we provide services to organizations across Canada, in the United States and around the globe.

Morneau Shepell's parent company, Morneau Shepell Inc., is a publicly traded company on the Toronto Stock Exchange (TSX). For more information, visit www.morneaushepell.com.

SBC Systems Company, Inc.

Since 1977, SBC Systems Company, Inc. has developed software to manage the complexities of employee benefits administration. SBC Systems' primary business is employee benefits management software (design, implementation and support) and our employees have extensive benefits consulting, administration and management backgrounds. Our benefits management focus has allowed us to develop a product specifically designed to help outsourcers, plan sponsors, and associations deal with complex benefit plan provisions, communicate those provisions, and to manage the data and processes associated with administering their plans. As technology and benefit plans have changed over the years, SBC Systems' mission has remained the same -- to leverage leading-edge technology to deliver world-class, flexible employee benefits administration solutions. SBC Systems Company, Inc. is headquartered in Atlanta, Georgia, and is part of a joint venture with SBC Systems UK, headquartered in London, England.

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