



**ULS Technology plc
("ULS", the "Company" or the "Group")**

Acquisition of Legal Eye Ltd

ULS Technology plc (AIM; ULS), the provider of online B2B platforms for the UK conveyancing and financial intermediary markets, is pleased to announce that it has acquired the entire share capital of Legal Eye Limited ("LEL") (the "Acquisition") for an initial cash consideration of £1.1m plus a two-year earn-out.

Acquisition Rationale

Legal Eye provides risk management and compliance consultancy services to the legal, financial and property sectors to ensure their clients comply with the regulatory framework in which they operate.

LEL has developed the "Legal Eye Quality Standard", which ensures compliance with the Solicitors Regulation Authority and the Council for Licensed Conveyancers, for solicitors, licenced conveyancers and providers of legal information services across the UK.

The Acquisition is expected to be immediately earnings enhancing and significantly enhances the Group's compliance offering. Whilst LEL will continue to offer its current services on an independent basis, the Group will look to leverage its technology skills to enhance LEL's business, and the Acquisition is expected to generate cross-selling opportunities across the wider Group.

About Legal Eye Ltd

Legal Eye Ltd was founded in May 2009 by Jaunita Gobby, who will maintain her day-to-day involvement in the business. LEL has been contracted by approximately 350 firms since May 2009 and has approximately 130 active clients, principally solicitors', today.

The majority of LEL's clients are on annual contracts, providing a high level of forward revenue visibility. For the 12 months ended 31 March 2014, LEL reported revenue growth of 54% to £563,729 and Profit Before Tax growth of 38% to £149,138 over the comparable period the previous year. As of 30 March 2014, Legal Eye had cash at bank of £317,776 and Net Assets of £238,108. There are no wholly owned premises or property leases.

Acquisition Consideration

ULS has acquired the entire issued share capital of LEL from Jaunita Gobby for an initial cash consideration of £1.1m, payable out of existing cash resources, in addition to an agreed earn out, payable in cash, equal to two times EBITDA for the full years ending 31 March 2016 and 31 March 2017 respectively.

Management expect the total consideration to be significantly below the maximum total consideration of £4.4m.

ULS has also acquired a 15% stake in Financial Eye Limited from Jaunita Gobby for a consideration of £100,000. Financial Eye provides compliance services to COFAs (Compliance Officers for Finance and Administration) to help their clients ensure that they comply with the regulatory framework in which they operate.

Commenting on the acquisition, Nigel Hoath, Chief Executive Officer, said:

"As outlined at the time of its IPO, ULS has a clear strategy for growth in the UK, comprising both organic growth and acquisitions. The acquisition of Legal Eye is a very positive move for the Group and will help us accelerate our growth as Legal Eye has already earned a strong reputation in its sector. However, we believe there is a significant opportunity to accelerate its growth and we are excited about how we can help achieve this as part of the Group. ULS' existing business will also benefit from the acquisition of Legal Eye by enabling us to place a stronger emphasis on quality and risk management as a central element of our eConveyancing value proposition.

"Ultimately, by providing our customers with the highest level of oversight and protection, we expect to advance our leadership position as the market becomes ever more risk and compliance led."

Enquiries

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About ULS

ULS offers a wide range of products and support services to the legal, property and financial services sector, the best known service to intermediaries being eConveyancer, the highly acclaimed and award winning conveyancing technology. ULS has also featured in the Sunday Times Tech Track 100 and is well placed to expand its presence in its current markets and to make inroads into new markets.