

# Annual General Meeting

29 November 2007

*“Room for Growth”*

Diana Eilert  
CEO/Managing Director  
Clarius Group

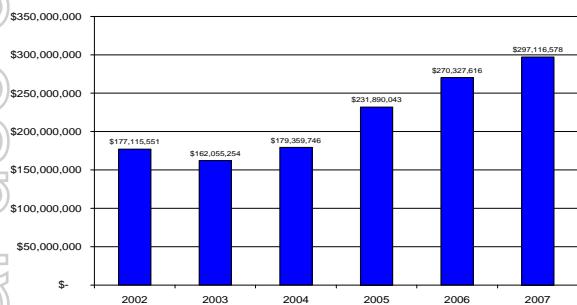
For personal use only

# Year to 30 June 2007

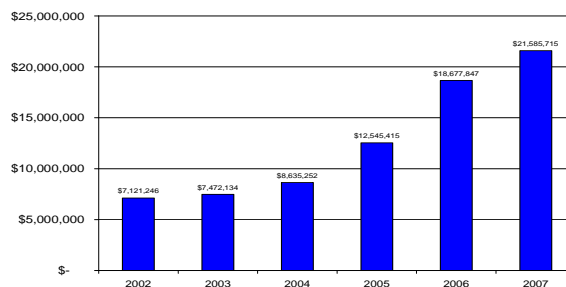
# Year to 30 June 2007: Financial

For personal use only

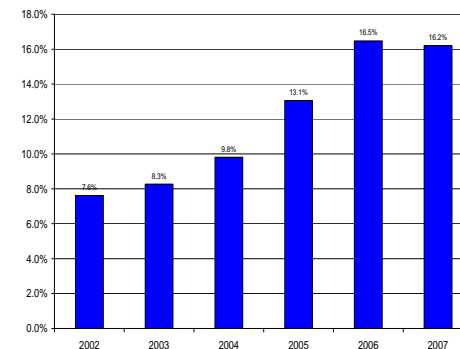
**Revenue up 10% to \$298 million**



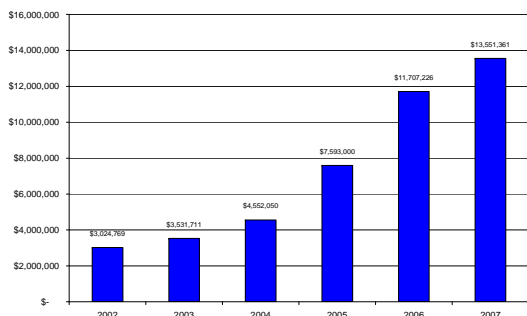
**EBITDA up 18% to \$19.9 million**



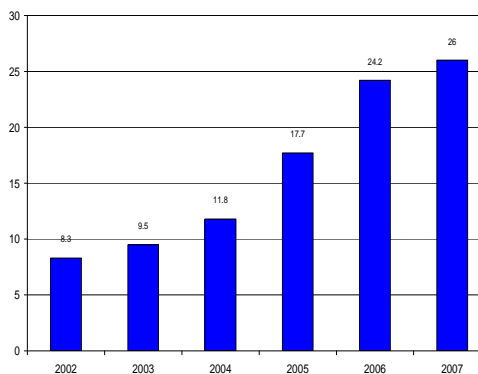
**Return on Equity strong**



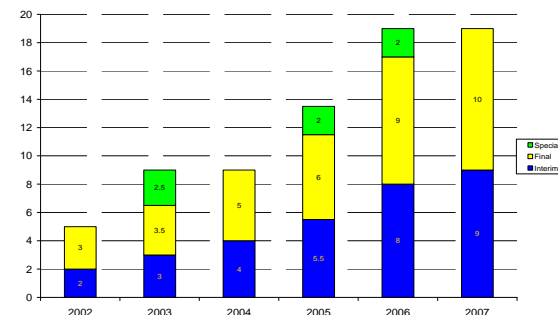
**Net profit after tax up 16% to \$13.6 million**



**Earnings in cents per share 26c**



**Ordinary dividend of 19c per share**



\*CAGR: compound annual growth rate

# Initial Review of Operations

**Core Candle business is robust with:**

- **A history of good organic growth**
- **High margins**
- **Award winning client and candidate service**



**Recruitment Firm of the Year 2006 and NOW 2007**

- **A motivated capable team of people with a positive ‘can do’ attitude**

# Initial Review of Operations

**Organic growth is good, with room to improve**

**Recent poor performance of Lloyd Morgan is impacting H1 FY08**

...turnaround plans being implemented

**One-off impacts of \$1.1m in FY08**

- **Restructuring costs**
- **Executive management changes**

...restructuring benefits to roll through in FY09

# My background and what I consider important

## My background:

- Extensive senior executive experience outside recruitment sector
- Focus on our people
- Strong financial disciplines
- Project and risk management
- Track record of delivering

## What we have done so far:

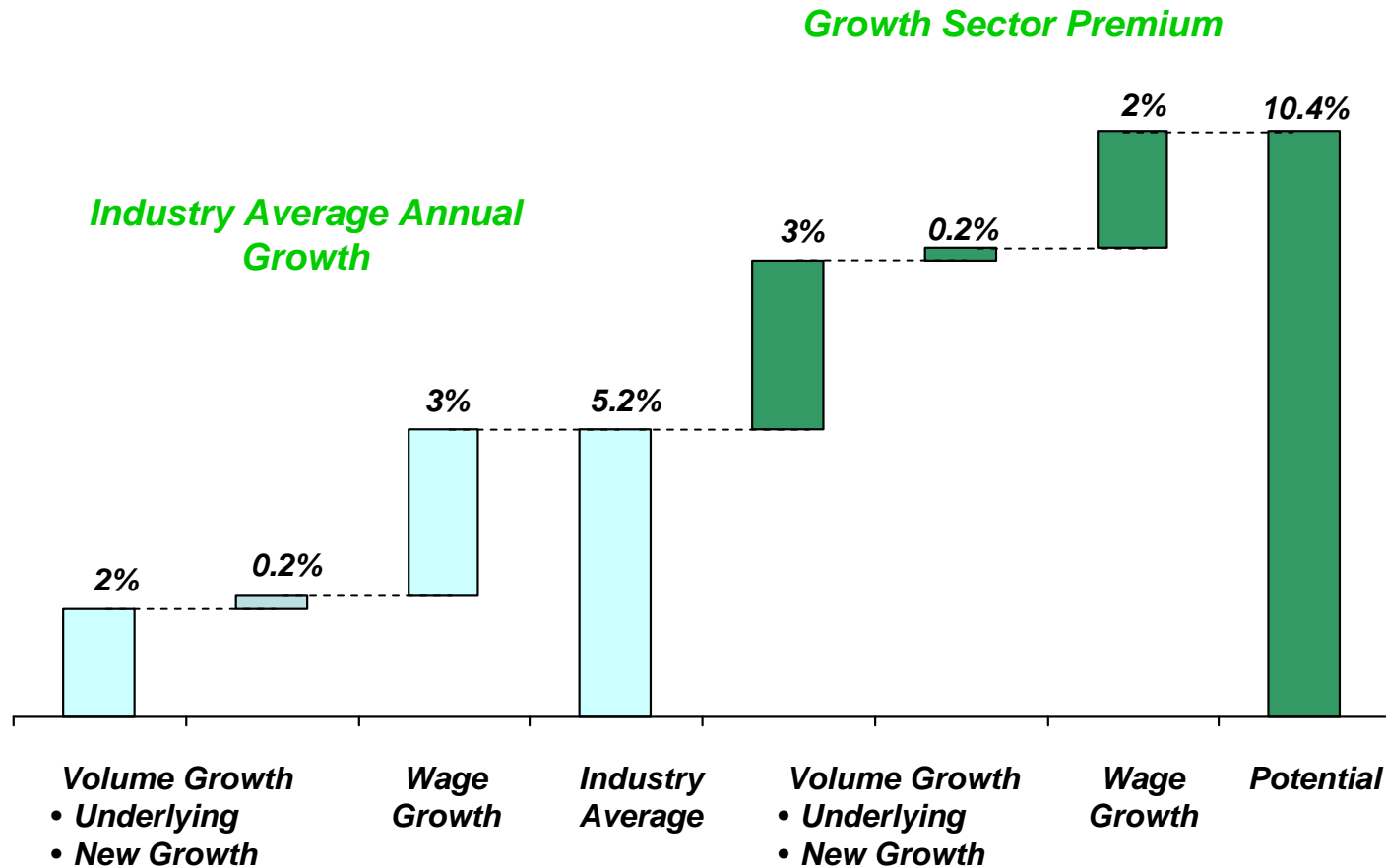
- Developed strategy and associated workstreams
- Leadership roles defined, team in place
- Financial modelling and disciplines being implemented
- Implemented cost reduction to save ~ 800K annually
- Renaming and repositioning parent company as Clarius

For personal use only

# Strategy

# The market opportunity is significant

For personal use only



Source: ABS; RBA; Department of Employment and Workplace and Relations

## Clarius – Our vision



To set the benchmark for recruitment and contracting services within Asia Pacific, for

- investors,
- our people,
- candidates and
- our clients

# The Clarius strategy sharpens our focus

**Specialist recruiter and contractor for professionals. We are focused on high growth, higher margin sectors:**

- **Information, Communication and Technology (ICT)**
- **Banking and Finance**
- **Property and Construction**
- **Business Services**
- **Health**

...competing only where we can leverage our operating models and scale to drive returns well over industry

We selectively provide IT services where there is limited capital required, and we can leverage our contractor skill sets to take on slightly more project/service risk for higher returns

# Clarius Group Brands



*J. Bianchini*



*P. Barbaro*



*G. Smith (Acting)*



*A. Chown*



*K. Quick*

For personal use only

# Strategy will be delivered through 6 workstreams

We will achieve superior **organic growth** through:

- 1. Our people** Superior selection, training and a culture of performance and reward for success
  - 2. Markets** **Targeting high growth/high value markets** with specialist brands
  - 3. Margins** Improving the margins via more **disciplined pricing, and weighting investment to higher margin** areas
  - 4. Efficiency** Driving **efficiency** through centralisation and automation of back office
  - 5. Advocacy** Delivering **superior customer, candidate and contractor experiences** through a culture, technology, and measurement systems that encourage innovation and initiative
- AND
- 6. Acquisitions** We **pursue acquisitions proactively**, only within target sectors where value is high with even stricter criteria

For personal use only

For personal use only

# Outlook

# Business outlook FY 2008

For personal use only

- Provided business confidence remains, we expect the market for professionals to continue strong growth
- Profit growth when compared to previous corresponding period, before impact of Lloyd Morgan Australia and “one –offs”
- Investment in organic growth should deliver some improvements in H2 FY08, flowing through fully into FY09



**H1 FY08 slightly lower than pcp, prior to “one-offs”  
Improvement in H2**

# In Summary

- A strong recruitment and contracting franchise
- ...some small short term challenges
- Longer term we can outperform due to
  - Focus on selecting and driving growth in profitable, growing segments in recruitment and contracting for professionals
  - Emphasis on selecting, motivating and developing our people
  - Stronger financial and measurement disciplines



**More room for growth**

# Disclaimer

The material herein is a presentation of non-specific background information about Candle Australia Limited's current activities. It is information given in summary form and does not purport to be complete. Investors or potential investors should seek their own independent advice. This material is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of a particular investor. These should be considered when deciding if a particular investment is appropriate.