



# Clarius Group Presentation

Half Year Results December

2009

Encouraging Signs

Presented by: Geoff Moles, Managing Director

# Clarius Brands and Locations

Clarius is a leading white collar contracting and recruitment specialist with brands across Australia, New Zealand and Asia



							
Administration, Sales and Marketing	Financial Services	Information and Communications Technology	Managed IT Services and Professional IT Staffing	Accounting and Finance	Executive	Engineering and Technical Personnel	Library and Records Management
Brisbane Melbourne Mount Waverley Parramatta Perth Sydney	Brisbane Melbourne Mount Waverley Perth Sydney	Adelaide Auckland Brisbane Canberra Melbourne Perth Sydney Wellington	Melbourne Sydney	Brisbane Chatswood Melbourne Mount Waverley Sydney	Beijing Hong Kong Kuala Lumpur Shanghai	Melbourne Sydney	Brisbane Canberra Melbourne Sydney

# HY Dec 09 Financial Performance

- Normalised NPAT of \$1.3m in line with previous guidance
- Normalised NPAT is up 8% from June 2009 half year.

P&L	Dec 09 \$m	Jun 09 \$m	Dec 08 \$m
Total Revenue	\$132.3	\$136.2	\$157.1
Statutory NPAT	\$1.1	\$0.8	(\$9.1)
Add back impairment of goodwill	-	-	\$10.1
Add back tax effective one off costs	\$0.2	\$0.4	\$0.9
<b>Normalised NPAT</b>	<b>\$1.3</b>	<b>\$1.2</b>	<b>\$1.9</b>
Operating cash flow	(\$4.1)	\$13.6	(\$5.3)

# HY Dec 09 Financial Performance Breakdown

- Gross Margin down 32% on pcp
- Employee Benefits Expense down 28% from pcp
- Financing Costs down 66% from pcp
- Other Overheads down 44% from pcp
- Normalised NPAT down 32% on pcp
- Normalised NPAT up 8% on pp

P&L	Dec 09 \$m	Jun 09 \$m	Dec 08 \$m
Gross Margin	23.6	24.6	34.8
Employee Benefits Expense	(16.5)	(17.4)	(23.0)
Financing Costs	(0.3)	(0.5)	(0.9)
Other Overheads	(5.1)	(5.6)	(9.2)
<b>Normalised NPAT</b>	<b>1.3</b>	<b>1.2</b>	<b>1.9</b>

# HY Dec 09 Financial Position

- Trade Receivables down 19% on pcp
- Bank Overdraft Down 55% on pcp
- Interest Bearing Liability down 100% on pcp

Financial Position	Dec 09 \$m	Jun 09 \$m	Dec 08 \$m
Trade Receivables	48.7	50.1	59.8
Intangible Assets	67.6	67.7	68.1
Bank Overdraft	(4.6)	(0.6)	(10.1)
Interest Bearing Liability	-	(15.0)	(15.0)
Contributed Equity	89.5	74.6	74.6

# Capital Raising

- Aug 09 - Institutional Placement (oversubscribed)      \$3m  
    - Rights Issue    \$12.2m
- Issued 23.7m Shares
- Proceeds used to pay down debt and strengthen balance sheet
- On track to be debt free at June 2010
- Strong ability to execute on consolidation opportunities

# Current Status of Recruitment Sector

- ANZ Jan 2010 “Job Advertisements were up 7.1% from the cyclical low recorded in July 2009”
- Demand for contractors, particularly in the IT sector, has been steady which has not been effected to the same extent as permanent revenue
- Current improvement in business confidence which is expected to lead to an increase in hiring intentions and business investment
- There are signs of recovery which will be the first step in a pick up in business activity
- Asia and Hong Kong trending upwards

# Outlook

- Cautiously optimistic, gradual improvement in demand for our services
- Contractor numbers stable – market demand appears to be slightly increasing
- Productivity should improve with market
- Reduced operating costs and headcount
- Lower borrowing costs after capital raising
- Ready for growth – capacity for growth with no increase in fixed cost base
- Strong underlying platform – opportunistic hiring of talent
- Strengthened senior management team – Chief Operating Officer (COO), Recruitment Aust & NZ
- Management team in Asia restructured – focused on return to growth and profitability

# Disclaimer

- The material herein is a presentation of non-specific background information about Clarius Group Limited's current activities.
- It is information given in summary form and does not purport to be complete.
- Investors or potential investors should see their own independent advise.
- This material is not intended to be relied upon as evidence to investors or potential investors and does not take into account the investment objectives, financial situation or needs of a particular investor.