



**Investor Presentation April 2010**  
Presented by: Geoff Moles  
Founder and Managing Director

# Clarius Brands and Locations



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

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

# Agenda

Overview

Business Model

Financials

Dealing with the Global Financial Crisis (GFC)

State of the Market

Looking Ahead – Demand Driven Recovery

# Overview

Established in 1984 by Geoff Moles

Listed on the Australian Securities Exchange in 1997

Strategic growth by acquisition – 14 in 13 years

Experienced in operating in a cyclical environment

Positive underlying profit every year for the last 26 years\*

\*before impairment December 2008

# Business Model

- Recruitment Revenue
- Permanent Recruitment
    - margin based on % of remuneration
    - cyclical
    - currently 31% of total gross margin
  - Contract and temporary on hire
    - margin based on % of contractor fee
    - annuity income
    - currently 61% of total gross margin
- IT Services Revenue
- IT Services
    - margin based on services provided
    - currently 8% of total gross margin

Large number of preferred supplier and panel clients

# Business Model

## Clients

Alcatel

AMP

Bank West

BHP

Caltex

Citigroup

Coles

Colonial

Govt State

Govt Federal

Fujitsu

IBM

Morgan Stanley

Perpetual

Rio Tinto

Singtel Optus

Spotless

Telstra

Westpac

Woolworths

# Business Model

Total Staff      320 down from 460 in 2008

Consultants      260 (revenue generating)  
remuneration is 30% fixed 70% variable

Performance management drives productivity and profit

Cost Base      Minimise fixed costs

Rent and office accommodation

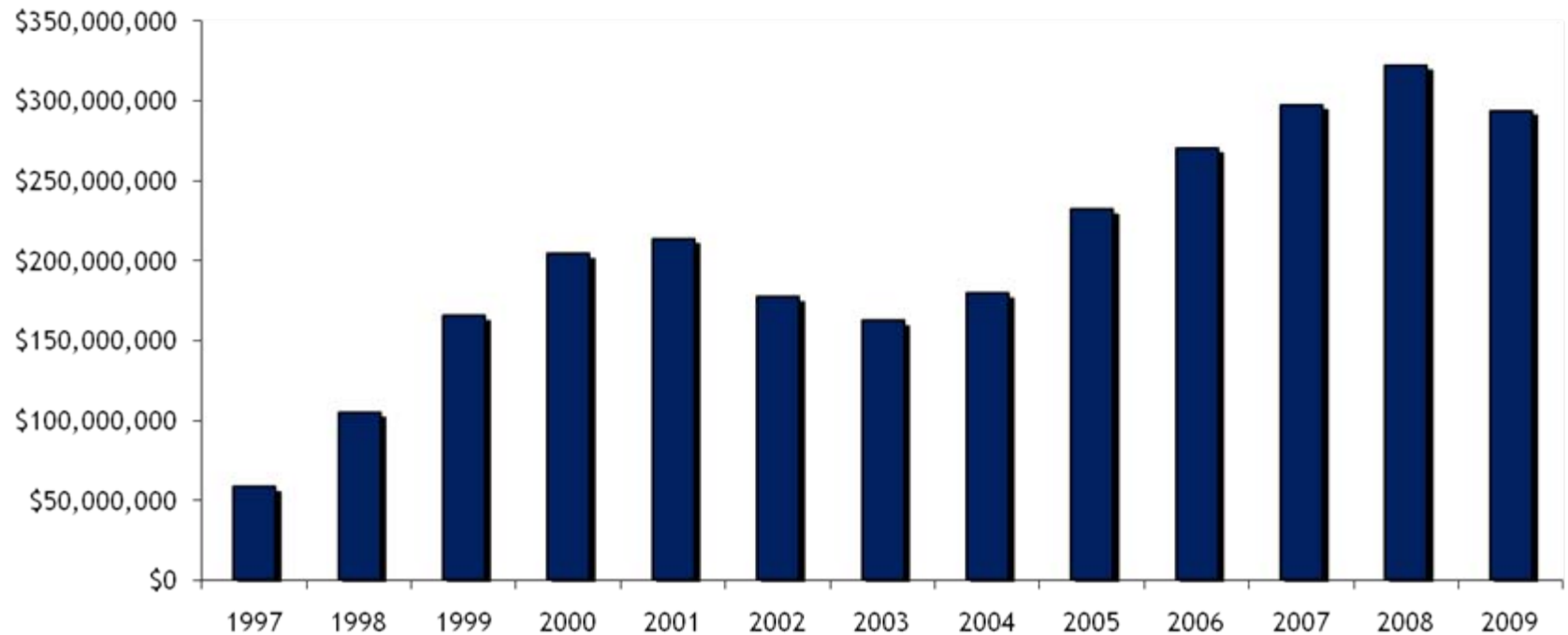
- Planning & consolidation

Working Capital management

- Reduced borrowings (capital raising Oct 08)
- Tighter control of debtors

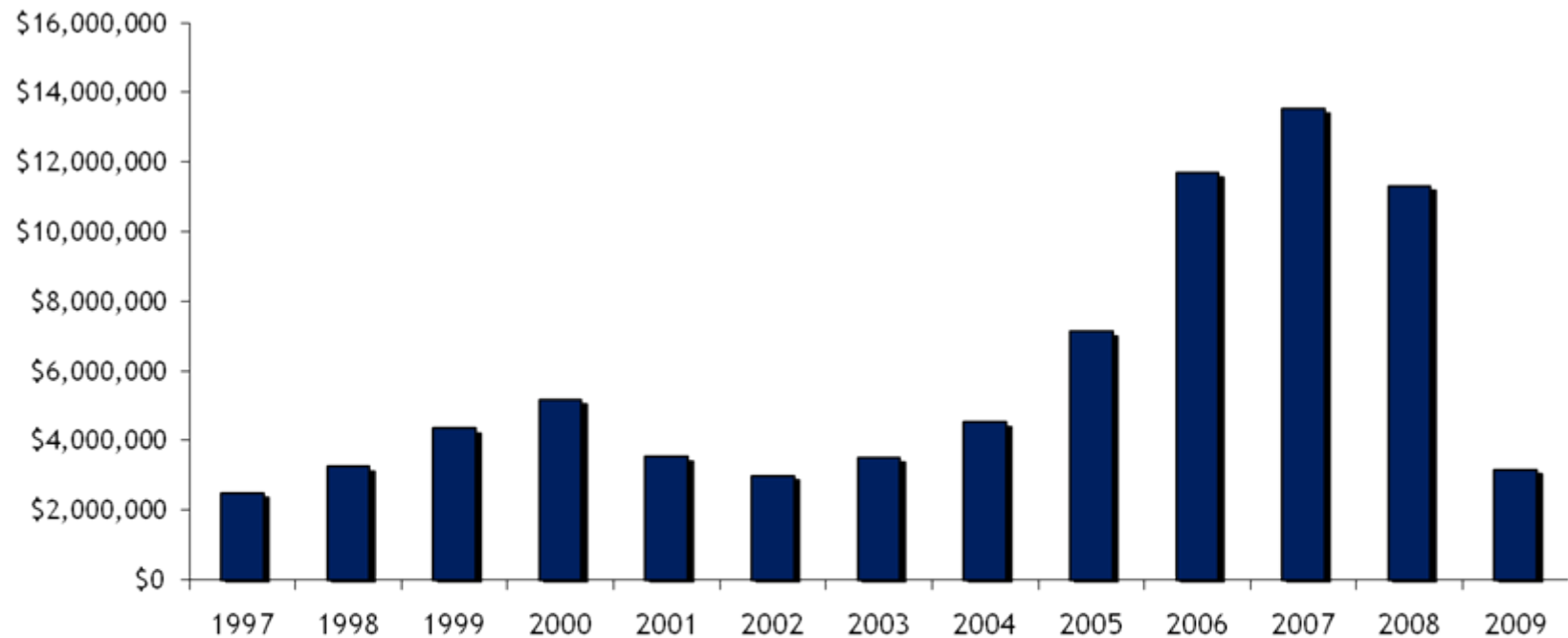
# Financials

## Sales by Year



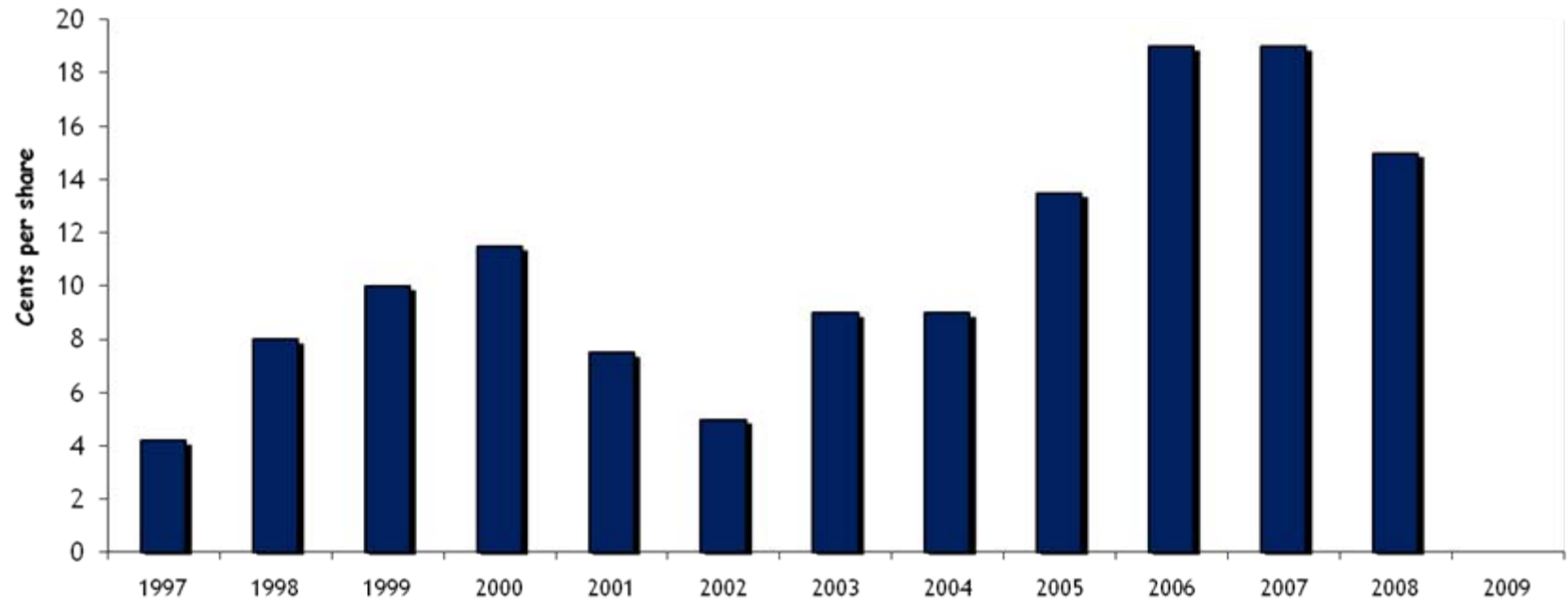
# Financials

## NPAT by Year (2009 before impairment and one off costs)



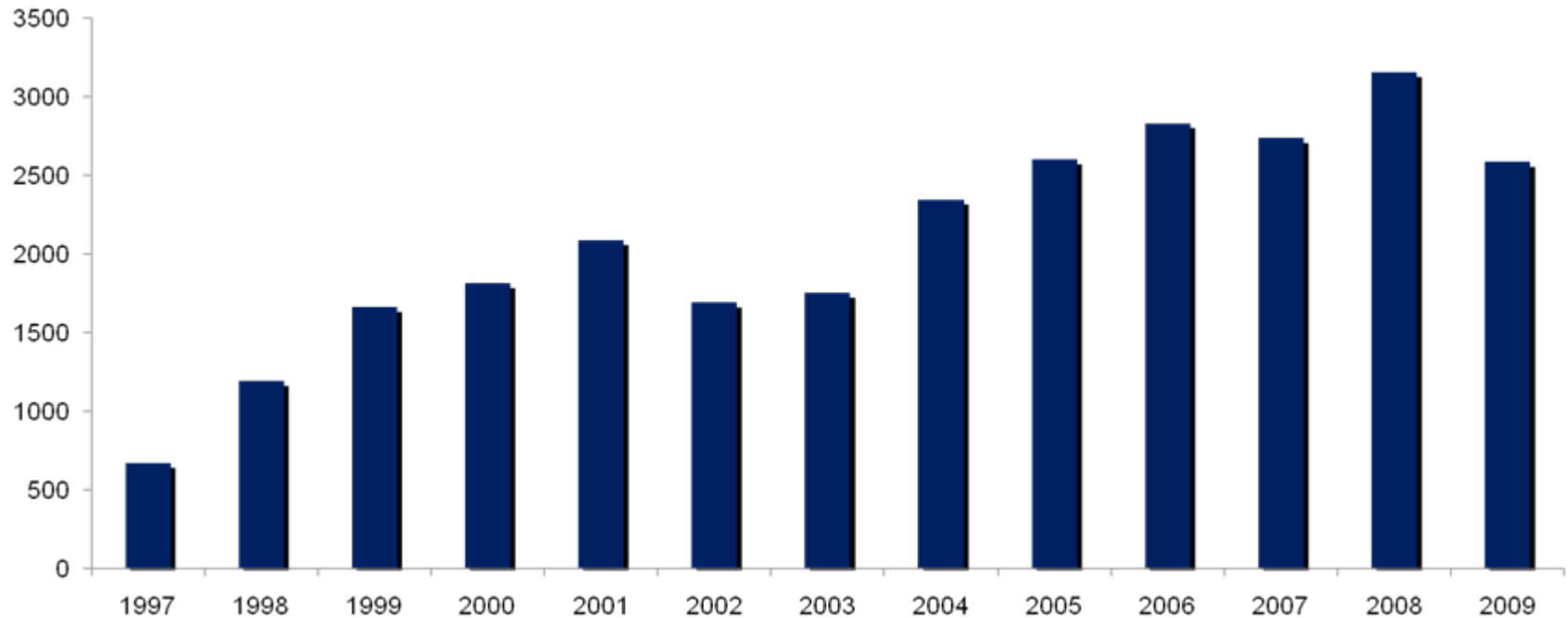
# Financials

## Dividend History



# Financials

## Contractors and Temps on Assignment



# Financials

## Balance Sheet

	<b>Dec 08</b>	<b>Jun 09</b>	<b>Dec 09</b>
	\$m	\$m	\$m
Trade receivables	59.7	50.1	48.7
Intangibles	67.1	67.7	67.6
Borrowings	25.1	15.6	4.5
Equity	85.9	85.9	101.7

# Financials

85.8m shares on issue

5.8m options

Dividends historically 70-80% of NPAT, fully franked

Minimal debt following placement and rights issue (oversubscribed)

Strong balance sheet with capacity for future growth and acquisitions

Cash Flow Positive

# Dealing with the GFC

Managed business to maintain profitability

Total gross margin	2008	\$77.8m
	2009	<u>\$57.9m</u>
	Down	<u>\$19.9m</u>
NPAT	2008	\$11.3m
	2009	<u>\$ 3.2m*</u>
	Down	<u>\$ 8.1m</u>
Reduction in cost base		<u>\$11.8m</u>

\* Excluding impairment and non-recurring one off costs

# State of the Market

Clarius Skills Index March 2010 (published quarterly)

Unemployment down to 5.3%

Recruitment activity improving

Demand for labour increasing

Skills shortage emerging in some sectors

Smaller Competitors hit harder by GFC

# Looking Ahead

Demand driven recovery

Ability to grow profit with existing cost base

Increase in demand growing

Client intentions positive

Strengthened senior management team

Asia returning to profitability – China focus

Ready for sustained growth as we emerge from the GFC

# 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 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.