



**News Release
27 August 2008**

Clarius Announces \$12.1 million NPAT

Highlights

- NPAT of \$12.1 million (before non recurring items) in line with market guidance, compared with \$13.4 million for the previous year. Including non-recurring items NPAT was \$11.3 million.
- Revenue up 8% to \$321 million mainly due to acquisitions.
- Low debt levels with a net debt-to-equity ratio of 14.6 per cent, a slight increase mainly due to one-off acquisition costs.
- Final dividend of 7 cents per share fully franked with the Dividend Reinvestment Plan to operate with a 5%.

Leading contracting and recruitment specialist Clarius Group (ASX: CND) today announced a net profit of \$12.1 million (before non recurring items) for the full year ending 30 June 2008.

The result was in line with the Company's guidance to the market and reflected the transformational work it undertook to tackle the significant challenges that existed at the beginning of the fiscal period.

The Directors have declared a final dividend of 7 cents per share fully franked taking the full year payment to 16 cents per share fully franked (FY07 19 cents per share), payable on 30 September 2008 to shareholders on the register at 16 September 2008. The dividend was within the Company's 70-80 per cent NPAT policy range.

Commenting on the results, Clarius Group Managing Director and Chief Executive Officer, Diana Eilert, said: "The 2008 financial year was the beginning of a new direction for Clarius Group. Following a short period of strategy development, we have tackled pressing operational issues whilst designing and building our organic growth capability."

"Importantly, Clarius Group has significantly strengthened the leadership team and has a highly experienced team to implement our organic growth focus."

Ms Eilert said the early results of this work had been extremely pleasing. Clarius Group was now in a stronger position than 12 months ago.

“We have stabilised our contractor numbers, which had been falling for two years, contributing to the decline in the earnings contribution of our core businesses,” she said.

“We have also revitalised our Lloyd Morgan Australia business, which has now returned to profitability. Compared to the previous year, Lloyd Morgan Australia’s candidate registrations were up 87 per cent, 10 new clients were engaged and a new team established.”

“The JAV IT and Southtech Personnel businesses were successfully integrated following acquisition and were the major contributors to the substantial increase in revenue growth during the period.”

Outlook

Ms Eilert said, “Notwithstanding the uncertain economic environment, Claris Group was confident of capturing the growth opportunities that exist across all of its businesses.

“While Clarius Group will continue to review any future opportunistic acquisitions, we have now shifted gears and will focus on organic growth. We don’t believe an acquisition centered growth strategy is beneficial to shareholders at this time,” Ms Eilert said.

“Like any significant change, shifting our strategic focus presents its own obstacles but we are well equipped to address the internal and external challenges that exist in the business today.”

“The seven businesses that exist within Clarius Group cover high growth and high demand industries such as IT, engineering and construction and accountancy. Debt levels remain low and our emphasis on contract work is designed to improve margins. We will also be focusing heavily on cash management going forward.”

Ms Eilert said “The FutureForce sales transformation strategy is expected to facilitate higher growth and profit. Key back office functions would also be automated to improve efficiencies and customer service across all of Clarius Groups’ businesses.”

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