

28 February 2018

ASX RELEASE
UNAUDITED RESULTS FOR THE HALF YEAR ENDED 31 DECEMBER 2017

Rubicor Group Limited (ASX:RUB) ("RUBICOR" or "the company"), one of Australasia's largest recruitment services companies, today reported its unaudited financial results for the half year ended 31 December 2017.

Performance Commentary

The statutory revenue result decreased from the same period last year mainly due to the divestment of Ensure which was sold in April 2017. Based on results in the last half year we expect revenue growth to regain in H2 FY18.

Underlying EBITDA was \$0.2m and the underlying NPAT attributable to equity holders was \$0.0m. Moving forward RUBICOR is committed to providing statutory EBITDA guidance.

In December 2017 the Directors agreed a binding heads of agreement to sell Makesafe Traffic Management (MTM) back to the original owners. This decision is in line with continued brand consolidation and service offering alignment. The sale was finalised on 31 January 2018 with \$0.8m proceeds from the sale to be paid to RUBICOR over a period of 16 months. The sale is expected to strengthen the operating cashflow position of the group.

As part of the Group's brand consolidation and re-branding at the start of FY2018, all Orange Australia customer contracts in Choice HR (Logistics) Pty Ltd were transferred into RUBICOR WORKFORCE Pty Ltd. Due to this restructure, the Directors determined that it was no longer appropriate to separately identify or value these customer relationships due to them being merged into RUBICOR WORKFORCE. Accordingly the Customer Relationships intangible asset associated with these contracts has been fully impaired at 31 December 2017, with the recognition of an impairment loss of \$1.9m and an associated deferred tax write back of \$0.7m.

A deferred tax asset (DTA) in respect of historical tax losses has not been recognised as at 31 December 2017. Although the Directors are forecasting improved operating performance and return to profitability, based on the half-year results and twelve month forecast, the Directors believe it is prudent that the DTA only be recognised when there is a history of utilisation of those losses. Accordingly, the DTA has not been recognised resulting in an income tax expense of \$5.4m in the period to 31 December 2017.

Brand Strategy

In August 2017, RUBICOR announced that it had optimised its brand structure by consolidating the group's 16 market-facing brands into just six. Half a year later, we are happy to announce that these changes have been widely and warmly received by the market.

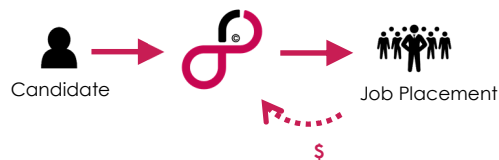
David Hutchison, RUBICOR's CEO, said, "It's great to see that RUBICOR's new approach has been welcomed so enthusiastically and that we are already seeing some of the upsides flow through." He went on to thank all those involved in the transition. "Strategic re-brandings present both challenges and opportunities for everyone involved. It's never an easy thing moving into new territory like this, so I want to thank RUBICOR's clients, investors, executive team, general managers, and employees for their work over this period."

Candidate Engagement Program

RUBICOR would like to announce its new project, "Candidate Engagement Program" (CEP). This project is the result of a continued drive to innovate and increase the group's revenue-generating potential.

Up until now, RUBICOR's principle revenue-generating activity was recruitment. The CEP will expand this scope and create new revenue streams. By using candidate information similar to that already captured during the on-boarding process, CEP will put job seekers in touch with first- and third-party products and services relevant to their career, financial wellbeing, health, and lifestyle. As a result, RUBICOR will earn subscription, distribution, and referral fees. The new approach is summarised in the graphic below.

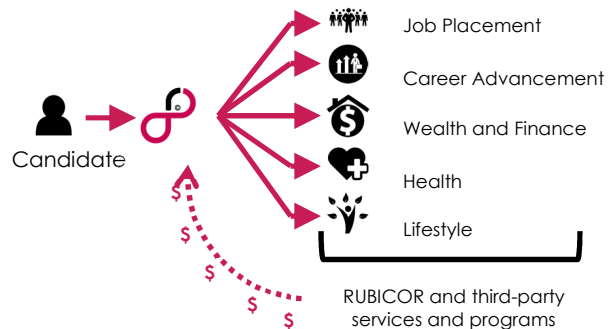
Traditional Model | Single Revenue Source



RUBICOR uses data for a single purpose and earns revenue in the form of:

- Placement fees

New Model | Multiple Revenue Sources



RUBICOR uses data for multiple purposes and earns revenue in the form of:

- Placement fees
- Subscription fees
- Referral fees
- Distribution fees

As a recruitment company, RUBICOR already assists job seekers in some of the most important decisions they will ever make. Assisting those people to achieve better career, financial, health and wellbeing outcomes is, therefore, a natural extension to RUBICOR's current role.

RUBICOR is also pleased to announce a new Executive General Manager, Phil Gunter. Phil has a rich history in leading loyalty- and data-driven businesses. For seven years, he managed Virgin Australia's Velocity program, leading its transformation from a costly marketing exercise into a sophisticated business, valued at \$960m. Most recently, Phil was CEO of comparethemarket.com.au, a service that allows users to find and compare a suite of products including insurance (health, car, home, life, pet and travel), credit cards, home loans, and other services. RUBICOR is excited to welcome Phil to the team and is confident that his experience will prove invaluable to the CEP project.

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ABOUT RUBICOR

The RUBICOR Group is one of the largest providers of recruitment and human resource services in Australia, New Zealand and Asia. Consisting of 6 specialist recruitment and HR solutions businesses, RUBICOR employs over 200 team members across 18 offices delivering complete staffing, payroll, consulting and managed services solutions across a diverse range of industry sectors and geographies.