

19 August 2014

Chandler Macleod announces on-market share buy-back

Chandler Macleod Group Limited ABN 33 090 555 052 (ASX:CMG) (**Chandler Macleod**) today announces its intention to undertake an on-market share buy-back of up to five per cent of its ordinary shares (27,399,254 shares). The buy-back is expected to commence on 2 September 2014.

The buy-back reflects Chandler Macleod's commitment to managing its balance sheet efficiently, while maintaining flexibility to fund investment in future growth opportunities.

The buy-back, which will be funded through existing debt facilities, will increase the efficiency of the Company's balance sheet and improve its cost of capital. At the current share price the estimated cost of this program would be less than \$9 million.

Chandler Macleod expects that the buy-back will be Earnings Per Share (EPS) accretive for shareholders.

Chandler Macleod will continue to review and pursue opportunities for its business, and retains the flexibility to fund investment in future growth opportunities.

Managing Director and Chief Executive Officer, Mr Cameron Judson said: "The Board considers that the buy-back is in the best interests of all shareholders and the current share price does not reflect Chandler Macleod's underlying value and potential."

The buy-back will commence no earlier than 14 days after the date of this announcement and end 12 months from the date of this announcement, unless terminated earlier. The timing and actual number of shares purchased under the buy-back will depend on the prevailing share price, market conditions and other considerations. All shares purchased under the buy-back will be cancelled.

Chandler Macleod reserves the right to suspend or terminate the buy-back at any time, and there is no guarantee that it will repurchase the full 27,399,254 shares referred to above.

The company's dividend reinvestment plan has been suspended.

ENDS

SHAREHOLDER AND ANALYST ENQUIRIES

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About Chandler Macleod (ASX: CMG): Chandler Macleod is one of Australasia's largest HR Services providers and a leader in planning, sourcing, assessing, developing and managing talent.