



ABN 43 002 724 334

Level 9, 1 York Street
Sydney NSW 2000

t. 02 9250 8100

e. feedback@clarius.com.au

www.clarius.com.au

ASX ANNOUNCEMENT

Clarius Group Ltd Results Announcement for the Year Ended 30 June 2014

The Directors of Clarius Group Ltd release the financial results for the year ended 30 June 2014. In line with the guidance released on 30 June 2014 a pre-tax loss of \$2.5m was reported.

Financial summary:

- Revenue decreased 20.4% to \$179.4m
- Gross profit percentage up from 16.6% to 20.7%
- Operating loss before tax of \$2.5m
- Net cash of \$2.5m (FY2013: \$0.2m)
- Net assets of \$35.5m (FY2013: 37.0m)
- No debt

Trading conditions remained challenging across the Australian businesses. Job advertisements continued to fall with demand for permanent recruitment remaining weak. There was an improvement in gross profit as the result of a concerted focus on higher margin contract business.

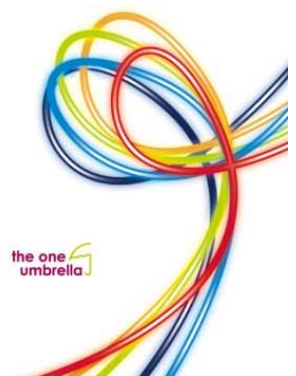
As previously reported, the investment in our China recruitment business provided positive returns during 2014 with revenues more than doubling. China is now a significant contributor to the overall permanent margin for the group. We anticipate further growth and profitability across our Asian operations in FY2015.

The New Zealand business performed well with growth in revenues of 40.5% to \$7.8m. An additional office was opened in Christchurch in the year to capitalise on positive market sentiments. We continue to cautiously invest in new staff where growth opportunities exist.

Clarius won a number of new contracts in FY2014. New accounts were signed with several government departments which started to contribute to the results in the later part of the year. Of the existing contracts which came up for renewal during the year, we undertook a strategic review with the objective of moving away from lower margin accounts during renegotiations. As a consequence, our gross margin percentage increased and we will continue to focus on higher margin clients.

Operating cash flow for the year was positive at \$3.3m, compared to \$4.4m for FY2013. The group's cash position at year end is \$2.5m (FY2013: \$0.2m) and there is no debt.

The Board has resolved not to pay a final dividend.



SHAREHOLDER AND ANALYST ENQUIRIES

CONTACT:

Clarius Group

Garry R Sladden
Chairman
P (02) 9250 8100

Iain Skelton
Chief Financial Officer
P (02) 9250 8100

