



Clarius Group Limited and Controlled Entities

Investor Presentation for Full Year Ended 30 June 2014
ABN 43 002 724 334

House of
Specialist Brands

alliance
RECRUITMENT

candle

Ignite

jav | I.T. GROUP

**LLOYD
MORGAN**

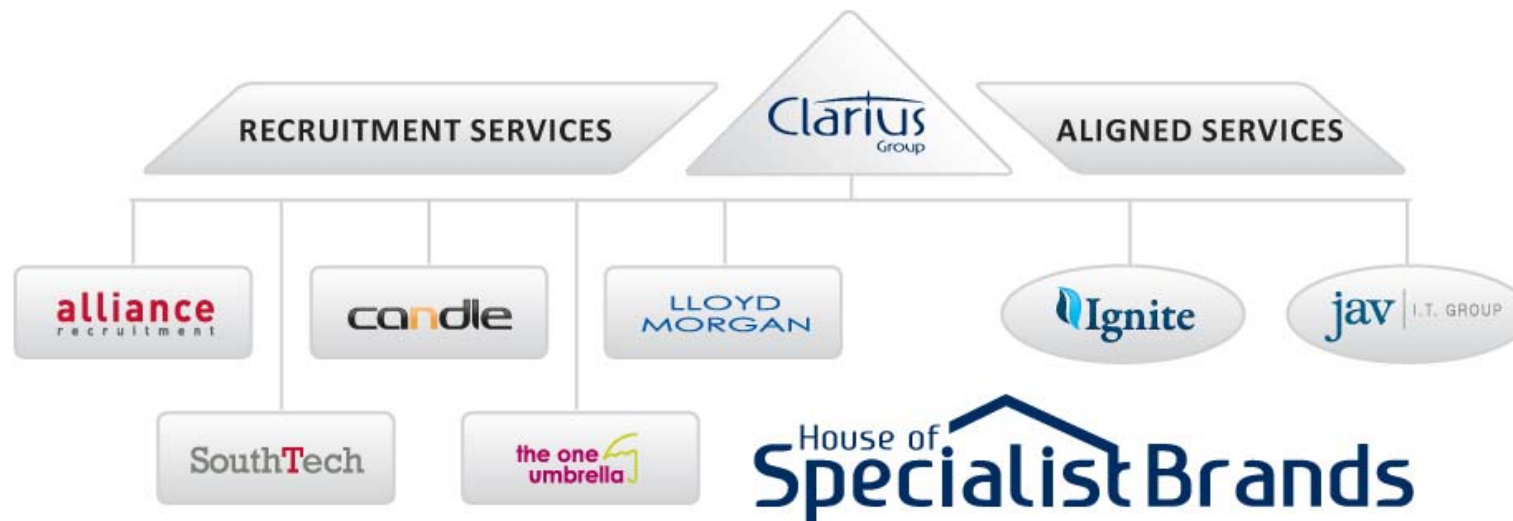
SouthTech

the one
umbrella

Overview



- Offices in Australia, New Zealand, Singapore and China
- Specialist brands with focus on IT, Accounting, Banking and Finance, Corporate Services, Engineering, Records and Information Management, Sales and Marketing
- Permanent, Contract and Temporary placements
- 13 Cities, 36 offices, 351 Employees.



Financial Results



Summary	June 2014	June 2013
Revenue	\$179.4m	\$225.3m
Gross Margin	\$37.1m	\$37.5m
Operating loss	\$2.3m	\$41.6m
Loss before taxation	\$2.5m	\$41.8m
Loss after taxation	\$1.7m	\$42.2m
Basic loss per share (cents)	1.87 cents	47.15 cents
Net cash	\$2.5m	\$0.2m
Net assets	\$35.5m	\$37.0m

Financial Results



Profit and loss	June 2014	June 2013
Total Revenue	\$179.4m	\$225.3m
Gross Margin	\$37.1m	\$37.5m
Employee Benefits Expense	\$28.2m	\$27.0m
Depreciation and amortisation	\$1.0m	\$1.0m
Restructuring Costs	\$0.3m	\$0.7m
Rental expense	\$3.7m	\$3.5m
Other Overheads	\$6.1m	\$6.0m
Finance Costs	\$0.2m	\$0.2m
Net Loss after Tax (excluding impairment)	\$1.7m	\$0.9m

Financial Position



Balance Sheet	June 2014	June 2013
Intangible Assets	\$3.0m	\$2.5m
Trade Receivables	\$48.9m	\$48.8m
Cash at Bank	\$2.5m	\$1.0m
Bank Borrowings	Nil	\$0.7m
Provisions	\$3.1m	\$2.5m
Total Equity	\$35.5m	\$37.0m

Group Revenue Mix



2014



86% Recruitment Services
9% Managed Services
5% IT Services

2013

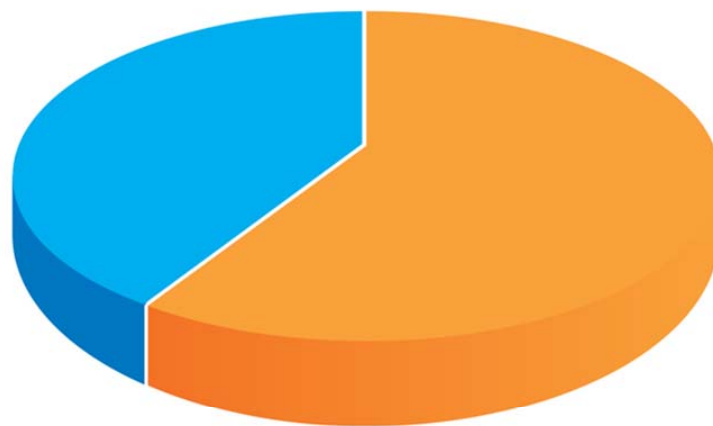


83% Recruitment Services
13% Managed Services
4% IT Services

Recruitment Business Margin Mix

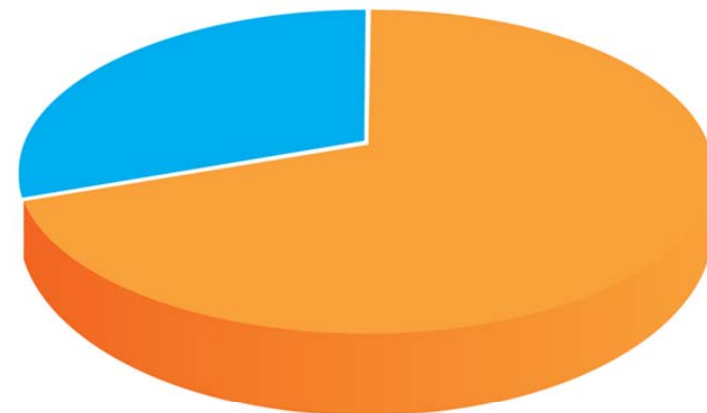


2014



59% Contracting 41% Permanent

2013

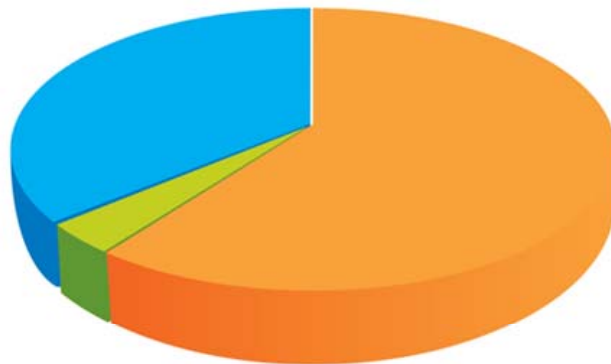


69% Contracting 31% Permanent

Permanent Revenue by Location

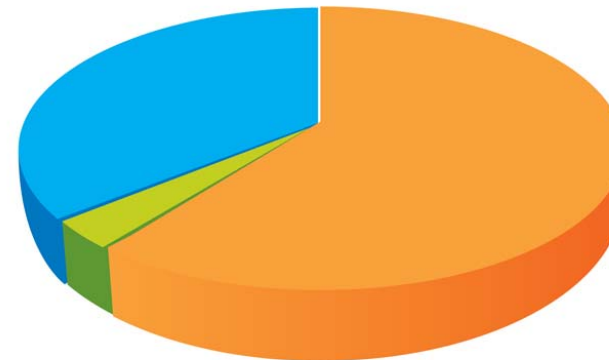


2014



60% Asia 36% Australia 4% New Zealand

2013



61% Asia 36% Australia 3% New Zealand

Snapshot



- Investment in Asian markets delivering improved results
- Gross margin percentage has increased to 20.4% (FY2013: 16.6%) as a result of increased permanent revenue placements in China and Singapore as well as disciplined focus on improved contracting margins
- Continued investment in back office systems
- Cash flow positively impacted due to a reduction in low margin contractors and increased focus on debtor collections and payables management. Net cash \$2.5m with no debts
- No final dividend payment was declared
- Continue to consider strategic acquisitions that meet our rigorous criteria
- Significant focus on costs and driving efficiency gains via internal restructure and the use of technology
- Technology roadmap complete and investment made in enterprise solution technology

Outlook



- Continued challenging markets in Australia – negative political environment impacting consumer and business confidence
- Investment in Asia continues to deliver improved revenues and profits. Opportunities for further expansion into the region
- Continued focus on costs and driving operational efficiencies
- Clarius continues to win profitable business with significant new clients joining in FY2014
- Use of new technology to create additional revenue streams and competitive advantage

Strategic Focus



- Protect and build our core business in the Asia Pacific Region
- Attain operational excellence
- Invest in and develop industry leading talent
- Extend our capability into related lines of business
- Better align group costs to current market conditions
- Creation of “Clarius Innovations” and enterprise solution technology

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