



Clarius Group Limited and Controlled Entities

Investor Presentation for Half Year Ended 31 December 2014
ABN 43 002 724 334

Overview

- Offices in Australia, New Zealand, Singapore and China.
- House of 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.
- 15 Cities, 38 offices, 333 Employees



Financial Results



Summary	Dec 2014	Dec 2013
Revenue	\$92.0m	\$91.3m
Net (loss) after tax & before restructuring & adjustments	(\$1.0m)	(\$1.4m)
Net (loss) after tax & after restructuring & adjustments	(\$8.3m)	(\$1.5m)
Basic loss per share (cents)	9.30 cents	1.65 cents
Dividend	Nil	Nil
Cash from operating activities	\$1.2m	\$1.2m
Net assets	\$27.6m	\$35.5m

- The Group's contractor labour revenue makes up 92% (31 December 2013: 93%) of the consolidated revenue, and 8% (31 December 2013: 7%) relates to permanent recruitment services. During the half year there were no changes in segment accounting policies that had a material effect on the segment information.
- Permanent hires in Australia and New Zealand continued to decline as a result of customers delaying hiring decisions in addition to the weak economic climate across all sectors. Contracting business areas are showing solid performance and growth potential, notably the resource on demand division, JAV IT, and the Clarius Major Accounts division.
- The Group is focusing on simplifying and evolving the current business model across all service lines which has resulted in a number of restructuring activities during the half year ended 31 December 2014. These included one-off costs, provisions and write downs totalling \$7.3m.

Financial Results



Profit & Loss	Dec 2014	June 2014	Dec 2013	June 2013
Total Revenue	\$92.0m	\$179.4m	\$91.3m	\$225.3m
Gross Margin	\$19.6m	\$37.1m	\$17.6m	\$37.5m
Gross Margin %	21.3%	20.7%	19.3%	16.6%
Employee Benefits Expense	(\$14.7m)	(\$28.3m)	(\$13.6m)	(\$27.0m)
Depreciation and amortisation	(\$0.7m)	(\$1.1m)	(\$0.6m)	(\$1.0m)
Restructuring Costs	(\$1.9m)	(\$0.3m)	(\$0.1m)	(\$0.7m)
Rental expense	(\$1.8m)	(\$3.7m)	(\$1.8m)	(\$3.5m)
Other Overheads	(\$4.3m)	(\$6.1m)	(\$3.3m)	(\$6.0m)
Impairment	(\$2.9m)	-	-	(\$40.9m)
Finance Costs	(\$0.2m)	(\$0.1m)	(\$0.1m)	(\$0.3m)
Income Tax	(\$1.4m)	\$0.8m	\$0.4m	(\$0.3m)
Net Loss after Tax	(\$8.3m)	(\$1.7m)	(\$1.5m)	(\$42.2m) ⁵

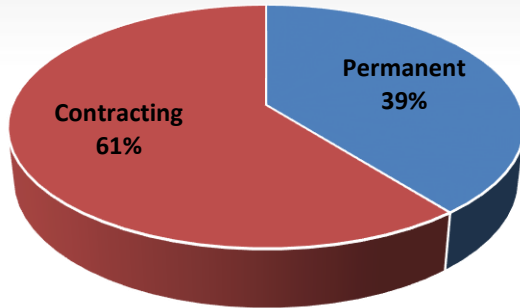
Financial Position

Balance Sheet	Dec 2014	June 2014	Dec 2013	June 2013
Cash at Bank	\$4.8m	\$2.5m	\$1.3m	\$1.0m
Trade Receivables	\$40.4m	\$48.9m	\$43.9m	\$48.8m
Intangible Assets	\$0.1m	\$3.0m	\$2.8m	\$2.5m
Bank Borrowings	\$1.4m	Nil	\$0.4m	\$0.7m
Provisions	\$3.8m	\$3.1m	\$2.6m	\$2.5m
Total Equity	\$27.6m	\$35.5m	\$36.0m	\$37.0m

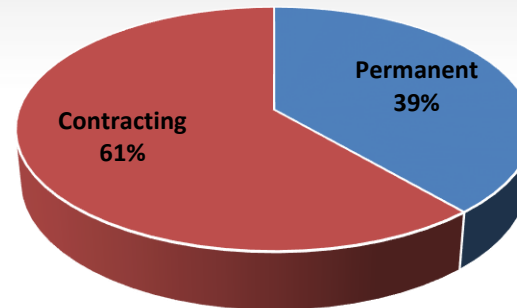
Recruitment Business Margin Mix



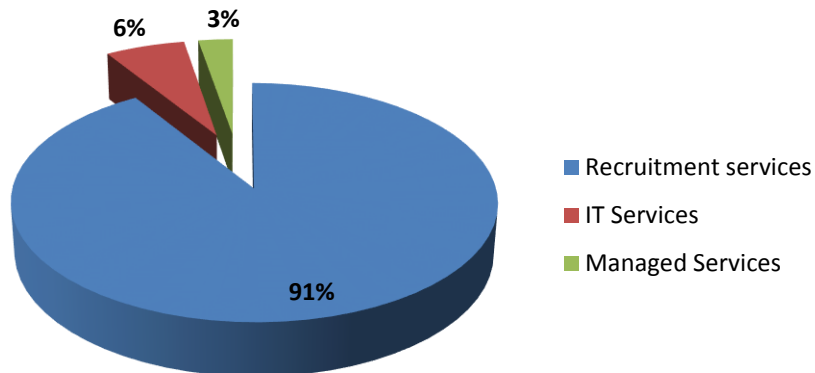
**Gross Margin
HY 2014**



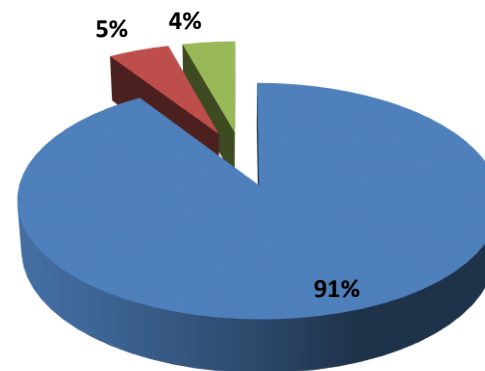
**Gross Margin
HY 2013**



**Revenue Mix
HY 14**



**Revenue Mix
HY 13**



■ Recruitment services
■ IT Services
■ Managed Services

Simplifying and right sizing our business structure and platforms

- **Technology Platforms:** Modernising front and back office platforms with initiatives focused on short term ROI and moving to consumption based models.
- **Sales Discipline:** Increased new business development activity, transacting with new clients and cross selling into existing ones.
- **Executive Leadership:** Finalising and shaping the new team with a focus on growth and sustainability.
- **Performance Culture:** Reviewing our house of brands strategy, purpose and values.
- **“On Demand” Services:** Extending our success into new verticals and outsourcing contracts.
- **Launching New Services:** To better connect with candidates and differentiate our brand and offering to clients through new digital experiences.
- **Real-Estate:** Continue to match our requirements with industry trends and structure.

Disclaimer



The forward looking statements included in these materials involve subjective judgement and analysis and are subject to significant uncertainties, risks, contingencies, many of which are outside the control of, and are unknown to Clarius Group Limited. In particular, they speak only as of the date of these materials, they are based on particular events, conditions or circumstances stated in the materials, they assume the success of Clarius Group Limited's business strategies , and they are subject to significant regulatory, business, competitive and economic uncertainties and risks.

Clarius Group Limited disclaims any obligation or undertaking to disseminate any updates or revisions to any forward looking statements in these materials to reflect any change in expectations in relation to any forward looking statements or any change in events, conditions or circumstances on which any such statement is based. Nothing in these materials shall under any circumstances create an implication that there has been no change in the affairs of Clarius Group Limited since the date of these materials.

No representation, warranty or assurance (express or implied) is given or made in relation to any forward looking statement by any person (including Clarius Group Limited). In particular, no representation, warranty or assurance (express or implied) is given in relation to any underlying assumption or that any forward looking statement will be achieved. Actual future events and conditions may vary materially from the forward looking statements and the assumptions on which the forward looking statements are based. Given these uncertainties, readers are cautioned to not place undue reliance on such forward looking statements.