

CHAIRMAN'S ADDRESS TO ANNUAL GENERAL MEETING

Delivered by Ken Allen AM, Sydney, 26 October 2011

Once again I welcome you here today and thank you for your attendance and interest in Talent2.

At the end of the 2010 year the signs were that the global recovery had started with the expectation that the momentum would continue into 2011. As the 2011 year progressed it became apparent that there were still some fundamental structural issues in the global economy. Despite the concerns over another global downturn Talent2 was able to deliver a record result. This has once again demonstrated the robustness of our business model.

Asia continues to be our core focus with multinational corporations from the US and Europe looking for growth outside of their home markets. As these organisations move out of their home markets they look to partner with regional players that can remove the HR complexities of operating in a multi geographic, multi-language, and multi-currency environment. Talent2 is fast gaining the reputation as being that partner. We are proud that Talent2 was announced as the number one provider of HRBPO services in Asia by Nelson Hall.

We have now formed an alliance with the Allegis group for the provision of recruitment managed services to clients. This is an extremely strategic alliance. The alliance with Allegis and others will continue to bear fruit as more and more us and European multinational players look to move or expand further into the growing Asian markets.

During the 2011 year we acquired the registered training organisation, Origin HR, a natural extension of the Sugar group. We continue to see strong growth in the training businesses.

Talent2 as a matter of board policy continues to maintain a strong balance sheet with debt of \$24.8m at 30 June 2011 and net debt of \$4.2m.

The Board declared and has paid a dividend of 5.5 cents fully franked for the 2011 year. This was an increase from 4.0 cents in the prior year.

I am personally very proud of the way Talent2 has built its institutional platform in Australia and Asia and it is with mixed feelings that I decided to not stand for re-election at this AGM. During my time with Talent2 I have seen revenue and EBITDA grow 208% and 198% respectively and Talent2 has become the leading provider of HR solutions in the Asia region.

With my retirement from the board Andrew Banks will move into the position of Chairman while maintaining a continued executive focus on Asia and the recruitment segment of Talent2. John Rawlinson, Talent2's CEO, will continue to focus on the management of the business reporting into the Board. In turn I believe that we have built an extremely stringent management group reporting to John. The leadership structure should ensure that Talent2 continues to grow from strength to strength.

I thank the shareholders, my fellow board members, the executive management team and all employees of Talent2 for the ongoing support during my tenure as Chairman and wish them all well for their future ambitions.

Andrew Banks will now make some comments, reflecting on the 2011 year and assume the role of Chairman for the conclusion of the meeting.

Thank you.