



FY 2007 Results

Agenda

- **Highlights:**
 - *Financial Performance Highlights*
 - *Operational Milestones*
- Operational Review
- Financial Review
- 2008 Outlook

Financial Performance highlights

Revenue	\$156.5m	UP 140.4% on p/year	In line with IPO forecast
EBITDA	\$16.5m *	UP 141.3% on p/year	UP 4.4% on IPO forecast
EBIT	\$12.5m *	UP 233.0% on p/year	UP 9.5% on IPO forecast
Cash EPS	12.8 c		UP 4.0% on IPO forecast
EBITDA margin* of 10.5% remains market leading			
\$12.8m in cash generated from operations (b4 int + tax)			

* Prior to IPO costs of \$2.1 million

Operational Milestones

- Challenge Recruitment acquisition successfully completed
- Increasing presence in Asia via;
 - Xpand
 - SMF
 - Cadden Crowe
- Authorised supplier to TAC Worldwide
- More acquisitions to come

Agenda

- Highlights
- **Operational Review**
 - *Business Overview*
 - *Breakdown of Operations*
- Financial Review
- 2008 Outlook

Business overview

- **One of the largest recruitment services groups in Australia and NZ**
 - 19 operating businesses
 - 43 offices
 - Over 500 employees

Business overview

- Decentralised model
 - **Multi branded** operating platform
 - Retains **owner-operator culture** at Operating Business level
 - **Corporate function** providing budgeting, sales and marketing, strategy and reporting
- Proven acquisition model delivers
 - **accretive acquisitions** and
 - **growth incentives** with de-risking for poor performance

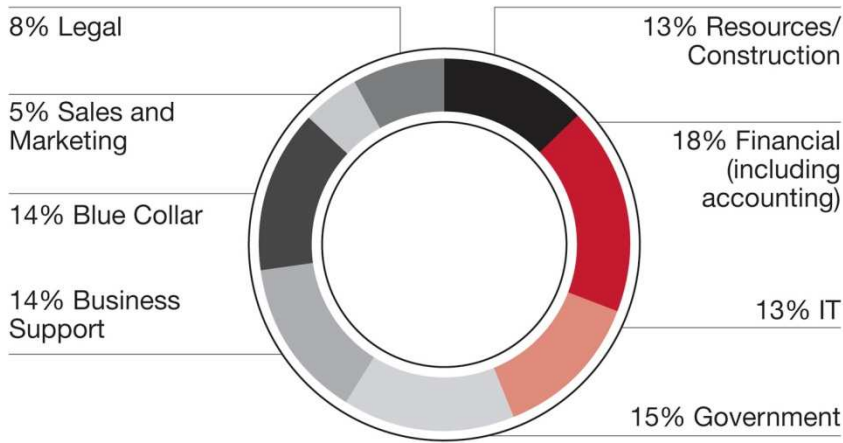
Business overview

- **Entrepreneurial culture** that encourages managers to drive growth
- **Continued growth** through inter-brand referrals and productivity improvements
- **Strategic acquisitions** of businesses that extend and diversify operations into new areas

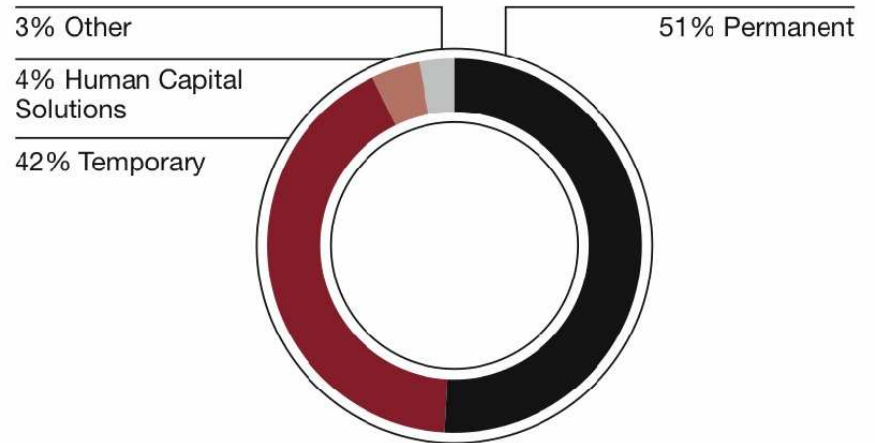
Breakdown of Operations

- Diversity of operations across industry, geography , and service.

BY INDUSTRY



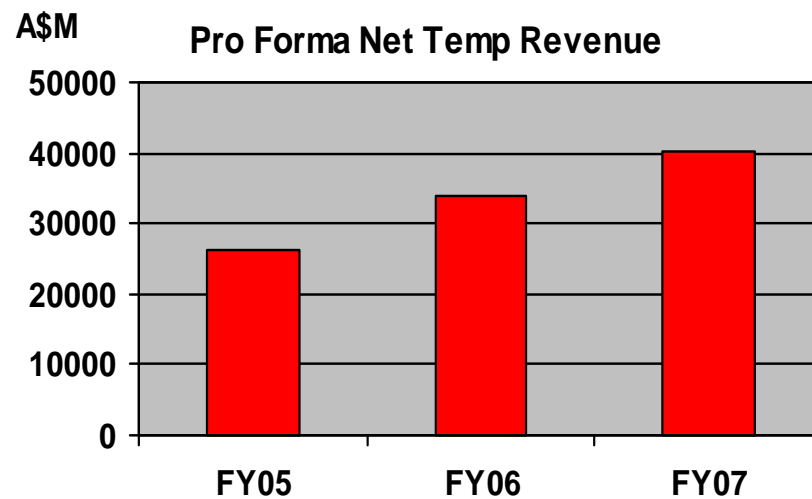
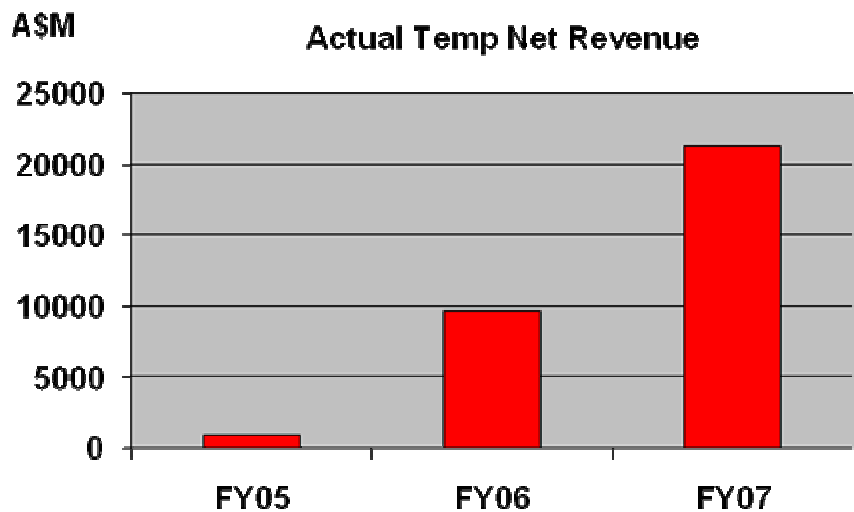
BY SERVICE



Breakdown of Operations

- Temporary

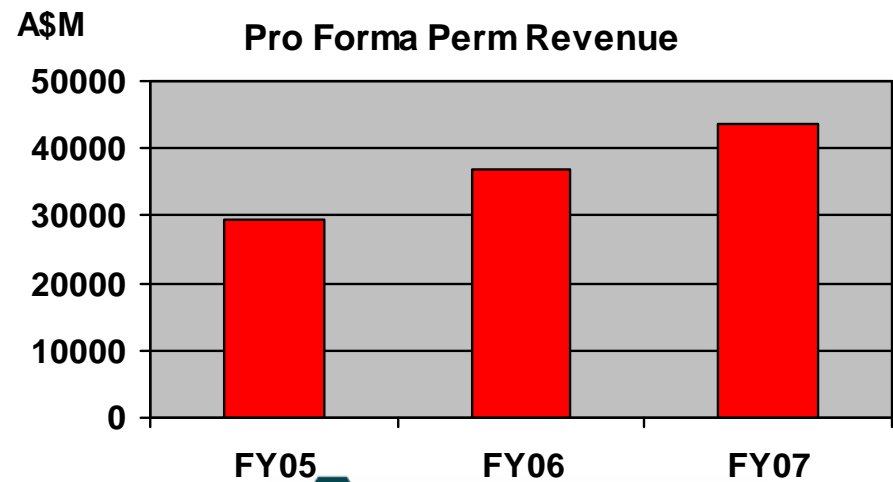
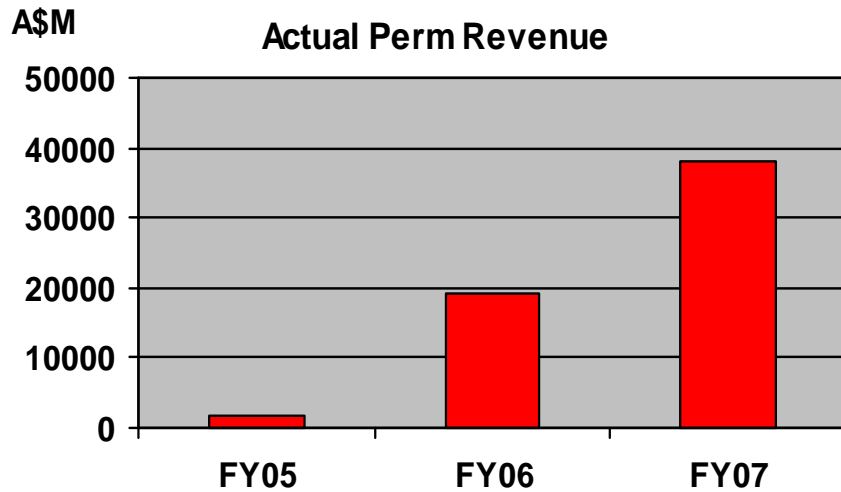
	FY07 \$M	FY06 \$M	Change %
Temp Revenue	113.3	43.0	163.5
Temp Net Revenue	21.3	9.6	121.9
Temp margin (%)	18.8%	22.3%	-15.8



Breakdown of Operations

■ Permanent

	FY07 \$M	FY06 \$M	Change %
Revenue	38.3	19.4	97.4



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- Highlights
- Operational Review
- Financial Review
 - *Financial Summary*
 - *Comparison to IPO Forecasts*
 - *Reconciliation of NPAT to Cash Earnings*
 - *Balance Sheet*
- 2008 Outlook

Financial Summary

12 Months	FY07	FY06	Change
	\$M	\$M	%
Revenue	156.5	65.1	140.4
On hired labour costs	(92.1)	(33.4)	
NDR (Gross Margin)	64.4	31.7	
Expenses ¹	(50.1)	(24.9)	
EBITDA	14.3	6.8	110.3
Depreciation	(0.5)	(0.3)	
Amortization	(3.4)	(2.8)	
EBIT	10.4	3.7	181.1
Interest on vendor liabilities	(5.4)	(2.6)	
Finance costs	(7.1)	(2.5)	
Profit before tax	(2.1)	(1.4)	
Tax expense	(1.1)	(0.8)	
Loss after tax	(3.2)	(2.2)	

¹ Includes IPO costs of \$2.1m

Actual vs. IPO Stat Forecast

FY07	ACT FY07 \$M	IPO STAT FY07 \$M	Change %
Revenue	156.5	157.2	-0.4
On hired labour costs	(92.1)	(95.2)	
NDR (Gross Margin)	64.4	62.0	
Expenses ¹	(50.1)	(48.3)	
EBITDA	14.3	13.7	4.4
Depreciation	(0.5)	(0.6)	
Amortization	(3.4)	(3.6)	
EBIT	10.4	9.5	9.5
Interest on vendor liabilities	(5.4)	(5.2)	
Finance costs	(7.1)	(7.0)	
Profit before tax	(2.1)	(2.7)	22.2
Tax expense	(1.1)	(1.2)	
Loss after tax	(3.2)	(3.9)	17.9

¹ Includes IPO costs of \$2.1m

Actual Pro Forma vs. IPO Pro Forma Forecast

FY07	ACT FY07 \$M	IPO P/F FY07 \$M	Change %
EBITDA	25.0	24.1	3.7
Depreciation	(0.9)	(1.0)	
Amortization	(4.9)	(4.9)	
EBIT	19.2	18.2	5.5
Interest on vendor liabilities	(7.5)	(7.4)	
Finance costs	(1.2)	(1.2)	
Profit before tax	10.5	9.6	9.4
Tax expense	(5.5)	(5.1)	
Profit after tax	5.0	4.5	11.1

Actual Pro Forma Cash NPAT vs. IPO Pro Forma Cash NPAT

	ACT P/F FY07 \$'000s	IPO P/F FY07 \$'000s
NPAT	4,953	4,460
<u>Significant non-cash items:</u>		
Amortisation of identifiable intangible assets	4,858	4,902
Interest on vendor liabilities (unwind of discount on earn-out)	<u>7,550</u>	<u>7,485</u>
	17,361	16,847
Tax impact of non-cash items ¹	<u>(3,943)</u>	<u>(3,943)</u>
Cash earnings	<u>13,418</u>	<u>12,904</u>
Cash earnings per share (cents)²	<u>12.8</u>	<u>12.3</u>

1. The amount by which the actual tax payments in respect of the year ended 30 June 2007 will exceed the income tax expense reported. Tax impact includes adjustment for future cost of funding associated with vendor liabilities.

2. Based on 105 million shares

Reconciliation of NPAT to Cash Earnings

	FY07 \$'000s
NPAT	(3,182)
<u>Significant non-cash items:</u>	
Amortisation of identifiable intangible assets	3,451
Interest on vendor liabilities (unwind of discount on earn-out)	<u>5,340</u>
	5,609
Tax impact of non-cash items ¹	<u>(3,503)</u>
Cash earnings	<u>2,106</u>
Cash earnings per share² (cents)	<u>2.0</u>

1. The amount by which the actual tax payments in respect of the year ended 30 June 2007 will exceed the income tax expense reported. Tax impact includes adjustment for future cost of funding associated with vendor liabilities.

2. Based on 105 million shares

Balance Sheet

30 June	2007 \$M	2006 \$M	Change %
Cash	12.7	2.0	535.0
Receivables	27.3	10.6	157.5
Intangibles	92.2	34.4	168.0
Other assets	9.8	5.4	
Total assets	142.0	52.4	171.0
Vendor liabilities - Current	11.5	3.2	259.4
Vendor liabilities - Long term	45.1	14.9	202.7
Borrowings	6.3	9.2	(31.5)
Other liabilities	18.7	11.7	
Total liabilities	81.6	39.0	109.2
Net assets	60.4	13.4	350.7
Net gearing 1	9.4%	35.0%	(73.0)
Net asset backing (cents)²	56.9	79.7	(28.6)

1 Excludes cash in FY07 as utilised for Challenge completion payment

2 Based on 105 million shares

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- 2008 Outlook
 - *Macro Drivers*
 - *Financial Outlook*

Macro Drivers

- Demand for labour remains robust
- More acquisitions likely
- Strong growth in underlying business

Financial Outlook

- Benefit of full year impact on FY07 acquisitions
- Cash EPS¹: close to 10% growth over FY07 actual PF of 12.8 cents
- Dividend: As per policy: 50% - 70% of NPAT
- Further acquisitions targeted

¹ Excludes future acquisitions