



11 August 2008

Record full year results for Rubicor

- Exceptional growth in revenue and profits
- Market leading performance in key metrics

Financial Highlights*	30 June 2008	30 June 2007	Growth
Total Revenue	\$367m	\$156m	135%
Net Disposable Revenue	\$104m	\$64m	62%
EBITDA	\$24.7m	\$14.3m	72%
Statutory NPAT	\$1.9m	\$(3.2 m)	
Underlying NPAT**	\$11.1m	\$2.1m	429%
Underlying EPS**	10.5c	2.0c	425%
Operating cash flow***	\$21.0m	\$14.1m	49%

* Preliminary financial highlights based on unaudited financial statements

**Adjusting for amortisation of intangibles and notional interest on deferred payments for business acquisitions under IFRS

*** Before interest and taxation

Rubicor Group Limited (ASX:RUB), one of the leading recruitment services companies in Australia & New Zealand, today announced a record increase in revenue and earnings for the full year to 30 June 2008 (based on its unaudited financial statements).

Wayman Chapman, CEO of Rubicor, said: "We are pleased with the year-on-year growth in revenue and profits. Compared to the prior year, preliminary total revenue rose 135 per cent to \$367m, driven both by acquisitions and organic growth, EBITDA by 72 per cent to \$24.7m and operating cash flow by 49 per cent to \$21.0m.

"We are successfully establishing a track record of growth and confirming our unique business model, underwritten by significant operational cash flow. Rubicor's strategy is to acquire niche, profitable operations; structure acquisition payments to align the vendors' interests to future success; and drive further growth from these businesses through management control.

"We have built a diverse spread of specialist recruitment businesses, with a significant number of Australia's top 200 listed companies among our clients. The diversity allows us to de-risk our earnings stream and the specialist nature of the operations ensures we can offer our clients the skills and experience they need while providing "whole of business" solutions in conjunction with other Rubicor divisions.



"It is particularly pleasing to see that we are market leaders in our key ratios. Our preliminary profit margin (EBITDA to NDR) is at 23.6 per cent, compared to industry norms in the range of 14 to 19 per cent based on latest published results. Our efficiency margin (consultant costs to NDR) is at 41 per cent."

Preliminary net profit after tax (NPAT) on an underlying or cash basis rose to \$11.1m, compared to \$2.1m in 2007. On a statutory basis NPAT was \$1.9m, compared to a loss of \$3.2m in the prior year. Statutory NPAT includes accounting adjustments for amortisation of intangibles and notional interest on deferred payments and earn-outs for business acquisitions, required under IFRS, which are non-cash charges and not considered to be part of the underlying operations.

The company maintains a prudent approach to capital management with preliminary interest cover of 6.4 times, net debt to EBITDA of less than 2 times and gearing of 48 per cent. Rubicon's bankers have reaffirmed their continuing support by recently renewing the company's borrowing facilities at costs reflecting the current state of credit markets. All deferred acquisition earn-out payments are fully funded and all deferred exit payments will be underwritten from future cash flows.

Underlying EPS for the full year is expected to be 10.5 cents, a healthy growth on 2.0 cents in 2007, but below Rubicon's earlier outlook of 12.5 cents for 2008. EPS has been impacted by softer market conditions in calendar 2008, higher financing costs, increased caution in hiring decisions by clients, and by some isolated issues at a small number of the operating businesses, including the matters previously announced to the market.

CEO Wayman Chapman stated: "We are continuing to achieve a strong momentum in growing the profitability of the business despite softer market conditions in some sectors. On key efficiency measures we are leading the industry. This confirms the strength of our business model, the quality of our operations, and augurs well for a successful and profitable future."

Enquiries:

Wayman Chapman
CEO, Rubicon
Tel 02 8061 0020

Janet Payne
Symbol Strategic Communications
Tel 02 9234 4287



About Rubicor

Established in 2005, Rubicor has 22 operating companies offering search, selection, bulk recruitment, professional and support level contracting services and organisational development.

Each operating company possesses distinct competitive advantages including a strong business culture; integrity; specialist industry focus; excellent profitability, and solid growth prospects. The businesses are directed and staffed by industry professionals with extensive experience in their field.

For more information please visit www.rubicorgroup.com.au.

For personal use only