



22 May 2009

Rubicon: market update

Rubicon Group Limited (ASX:RUB) today provided a market update for the financial year ending 30 June 2009. Based on the results to 30 April 2009 and forecast to 30 June 2009, Rubicon expects EBITDA before non recurring items and asset impairment charges to be in the range of \$7.5 m to \$8.3 m. A further review of the carrying value of assets will be undertaken as part of the full year audit and further impairment charges are anticipated.

“The forecast result reflects the sharp and strong deterioration in business conditions in particular in this calendar year,” stated Jane Beaumont, CEO of Rubicon. “Our focus in these challenging times is to position the business for the future by aligning the cost base with current revenues and driving greater efficiency.”

“To this end our cost reduction program has identified a total of \$11.5m of annualised savings, including headcount, business restructure, and combining operating companies in the same location. These reductions have been implemented throughout the year and will be fully effective by 1 July 2009. Although the major rationalisation program is now complete, the company will continue to closely monitor its cost base.”

Overall revenue for the period to April 2009 was down 11% on the prior comparative period. The permanent recruitment business has been severely impacted by continued reductions in customer demand and revenue was down 23%. The contracting and temporary business has held up relatively well, with revenue down 8% compared to the same period last year.

Despite the economic conditions, 20 of 23 businesses including a new start-up were profitable year- to-date and the performance of the loss making businesses has significantly improved over recent months as a result of the business restructuring.

“In connection with our capital management program,” Ms Beaumont said, “we are actively pursuing debt refinancing with our bankers and expect to make an announcement in this regard in the near term.”

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“Looking to the future, we remain cautious while these difficult trading conditions persist and visibility is limited. Permanent recruitment trends are expected to continue at least for the rest of the calendar year. However we are confident given the changes we have made that Rubicon will be in a strong position to capitalise once the economy improves and demand for labour returns.”

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About Rubicon

Established in 2005, Rubicon has 23 strong operating companies offering search, selection, bulk recruitment, professional and support level contracting services and organizational 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

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