



AGM
26 November 2009



Robert Aitken Chairman

Financial Summary

| | FY 09 | FY 08 | Change |
|------------------------------------|--------------|--------------|---------------|
| Total Revenue | \$317m | \$367m | -14% |
| NDR (Gross Margin) | \$78.5m | \$104.0m | -25% |
| Underlying EBITDA ¹ | \$8.0m | \$24.7m | -68% |
| Statutory EBITDA | \$5.7m | \$24.7m | -77% |
| Underlying NPAT ^{1&2} | \$(2.8)m | \$11.1m | - |
| Statutory NPAT | \$(43.9)m | \$1.9m | - |
| Underlying EPS ^{1&2} | (2.6)c | 10.5c | - |
| Operating cash flow ³ | \$16.7m | \$21.0m | -20% |

¹Before significant items of \$2.3m (\$1.6m post-tax) largely relating to redundancy, premises relocation and refinance advisory costs.

²Before amortisation of intangibles (\$6.3m), notional interest on deferred payments for business acquisitions under IFRS (\$1.7m) and impairment of non-current assets (\$32.4m).

³ Before interest and taxation.

Reconciliation of statutory to underlying

| 12 months ended 30 June | 2009 \$M | 2008 \$M |
|----------------------------------------------------------|---------------------|--------------------|
| Statutory NPAT | (43.9) | 1.8 |
| Significant items | 2.3 | 0.0 |
| Non cash items | | |
| Add back: Amortisation of identifiable intangible assets | 6.3 | 6.1 |
| Notional interest on vendor liabilities | 3.0 | 7.2 |
| Impairment of goodwill | 32.4 | 0.0 |
| Deduct: Cash interest on vendor liabilities | (1.3) | (2.4) |
| Tax effect | <u>(1.6)</u> | <u>(1.6)</u> |
| Underlying NPAT | <u>(2.8)</u> | <u>11.1</u> |

Capital Management & Balance Sheet

- Rubicor continues to operate with the support of its bank
 - Further debt advanced for vendor payments (\$1.7m-July, \$5.2m–Nov)
 - Term facilities extended to 31 July 10
 - Covenants relaxed
 - Amortisation reduced
- Progressive step in a comprehensive refinancing process
- Cash generation, before interest and tax, \$16.7m reflecting strong conversion of EBITDA to cash flow
- No dividend declared
- Vendor liabilities and goodwill reduced by \$29m
- \$32m of goodwill written off

Board and Senior Management

Chair and CEO succession

- Wayman Chapman retired as CEO
- Remains on Board
- Jane Beaumont CEO
- John Pettigrew to succeed me as chairman in March 2010

Remuneration practises

- Significant proportion of senior management remuneration is at risk
- No incentives paid for 2nd year
- Salaries remain at July 08 levels for management and non executive directors

Outlook

Short term

- Cost reduction strategies effected and effective
- Cost base aligned to market conditions and current demand
- Focusing on identified growth sectors
- Cautiously optimistic
- Q1 EBITDA profitable and ahead of budget

Long term

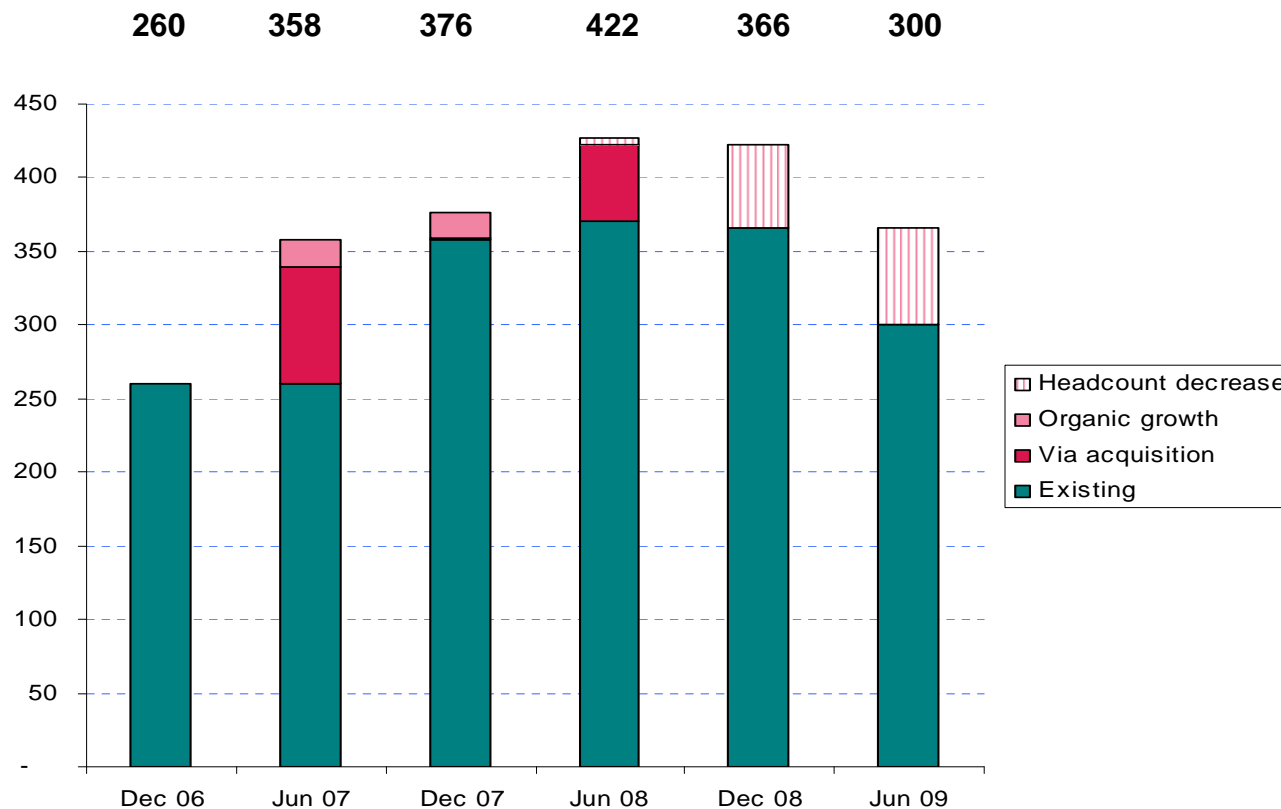
- Skills shortage will continue to be an issue for employers due to permanent demographic change
- Well-established specialist recruitment firms will have the edge

Jane Beaumont CEO

Future-proofing the business

Rigorous cost reduction to align cost base to market

➤ Headcount reduction— consultants reduced by 122



Rigorous cost reduction to align cost base to market

- Headcount reduction—consultants reduced by 122
- Payroll savings through realigning salary packaging to market
- Supplier re-evaluations and contract renegotiations
- Major initiative = premises co-location and shared services
 - In every capital city co-location has occurred
 - Shared services expanded
 - Cross-selling of services

\$12m annualised savings identified and actioned

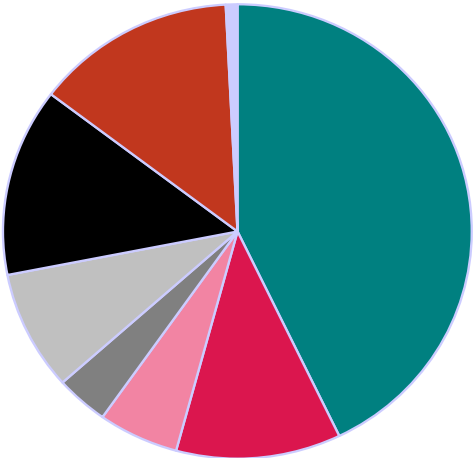
Key strength is our business diversity

Industry



- Legal: 3.4 %
- Sales and Marketing: 12.2 %
- Blue Collar: 11.8 %
- Business Support: 12.2 %
- Resources: 10.1 %
- Financial (including accounting): 14 %
- IT: 20.1 %
- Government: 16.2 %

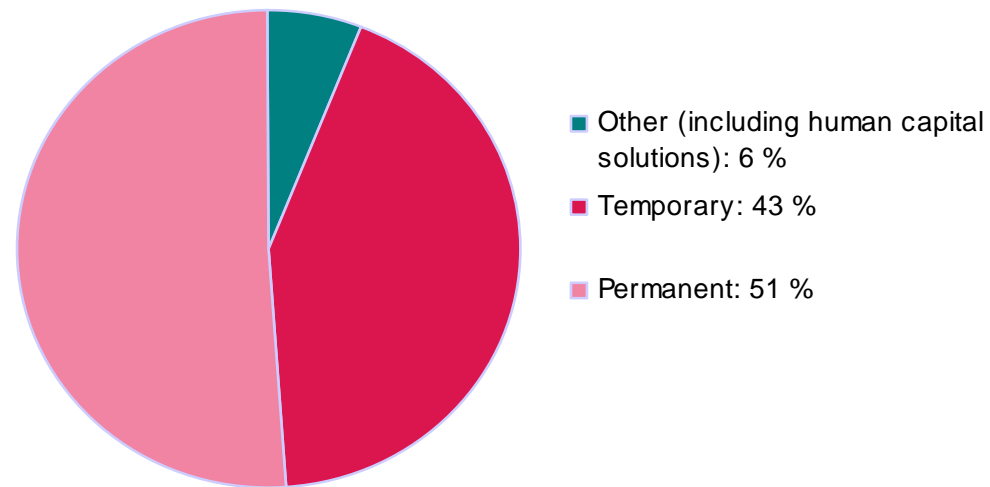
Geography



- NSW: 42.9 %
- VIC: 11.2 %
- QLD: 5.5 %
- ACT: 3.6 %
- WA: 8.8 %
- SA: 13.2 %
- New Zealand: 13.9 %
- Singapore: 0.9 %

Focus on building temporary revenues

➤ Temporary / contract business = Target >45% in 2010

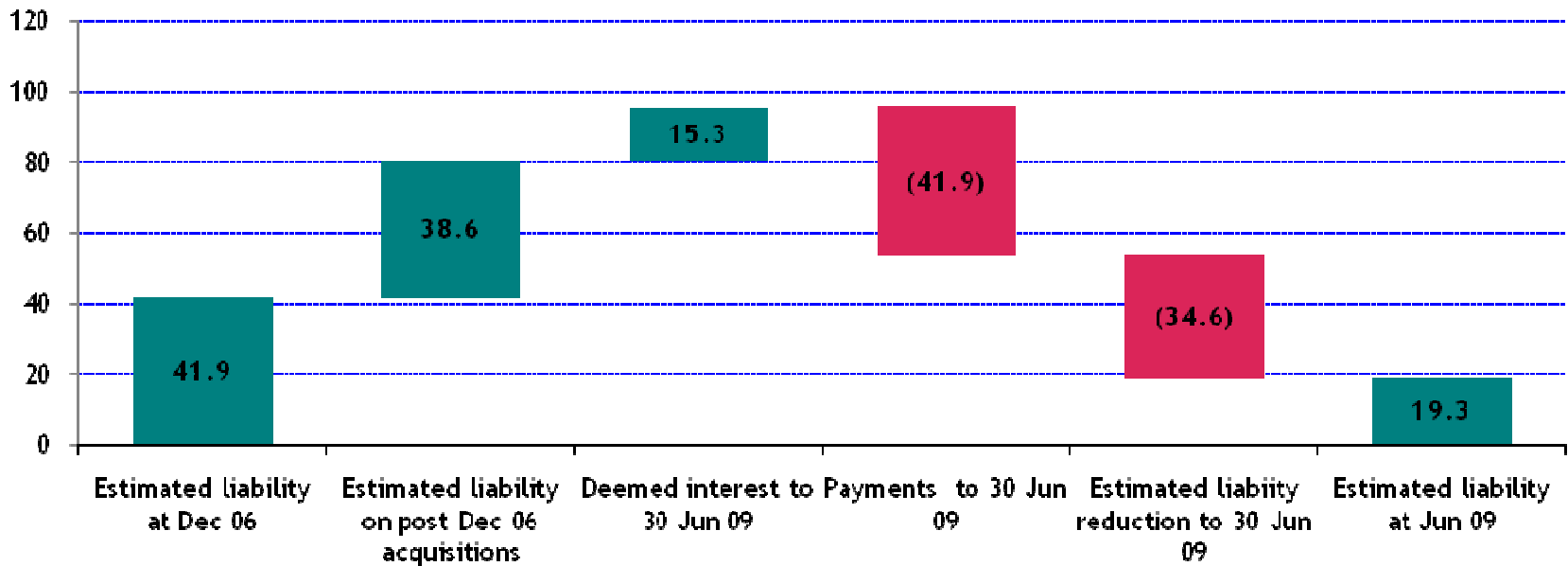


Optimising performance

- Focus on temporary and contract business. Target >45% in 2010
- Market levers reviewed and focus on identified growth areas e.g. from:
 - Government initiatives
 - Climate change imperatives
 - Other growth areas (waste management, IT & education)
 - Resources (new announcements and \$16bn of projects reinstated)
- Client leverage opportunities continuing
- Won 2 national mandates for top 20 ASX companies

Acquisition model: payments align with profitability

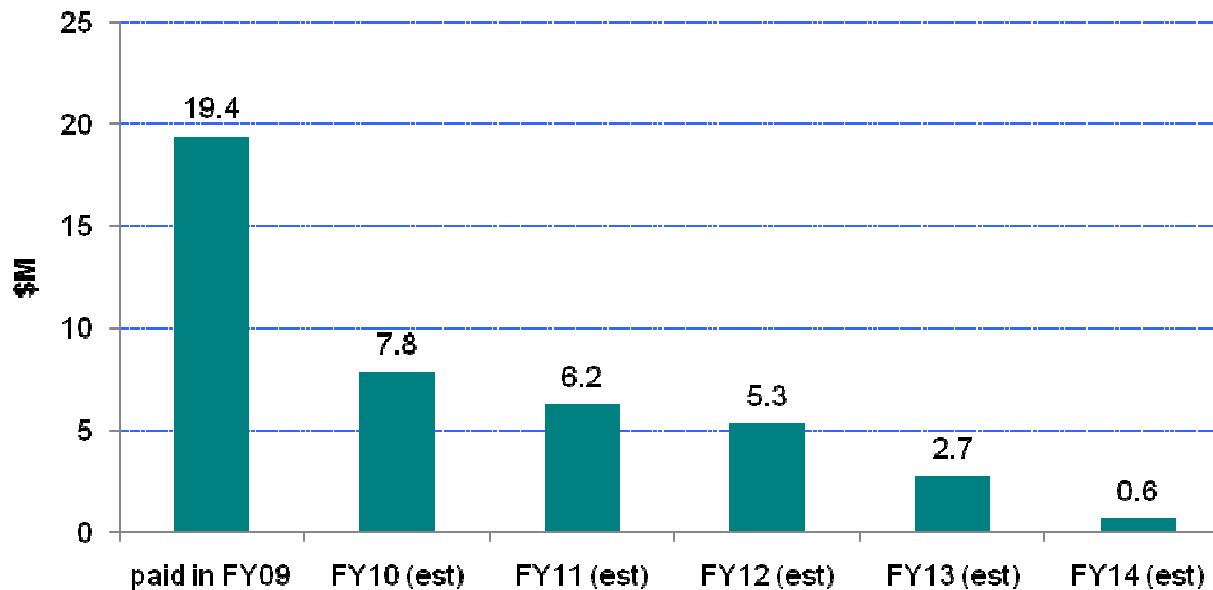
- Vendor liabilities have reduced by \$34.6 million in total and by \$28.9m in FY09



Acquisition model: payment profile

- Payments to vendors have peaked and are expected to more than halve in FY10ⁱ

Estimated Vendor Earn Out Payments (FY10-FY14)



ⁱ Estimated vendor earn out payments at future value of \$22.6m.
Balance sheet (Vendor earn out liabilities) at present value of \$19.3m.

Summary - Future proofing the business

Right:

- People and cost base
- Mix of permanent and temporary
- Relationships with clients and candidates
- Focus on growth areas

- Readiness for next stage in market turn-around

- Cash generation and debt reduction

- Sound fundamentals – both business and industry

Robert Aitken Chairman

Item 1

To receive and consider the:

- Annual Financial Report
- Directors' Report and
- Auditor's Report:

of Rubicor Group Limited for the year ended 30 June 2009.

Item 2

That Wayman Chapman, who retires in accordance with clause 20.1 of the Company's Constitution, and having offered himself for re-election and being eligible, is re-elected as a Non-Executive Director of the Company.

| | |
|---------|------------|
| For | 22,656,242 |
| Against | 2,583,211 |
| Abstain | 40,000 |
| Open | 918,740 |



Item 3

That, the Company's Remuneration Report for the financial year ended 30 June 2009 be adopted.

| | |
|---------|------------|
| For | 22,405,995 |
| Against | 1,540,542 |
| Abstain | 1,282,416 |
| Open | 969,240 |

