



**CHAIRMAN'S ADDRESS TO ANNUAL GENERAL MEETING,  
Delivered by Ken Allen, Sydney, 7<sup>th</sup> November 2007**

I have now been in the role of Chairman for twelve months. Today I wanted to address the changes that have occurred in that period and our plans for the future. Talent2 led by Andrew Banks, John Rawlinson and their focussed staff located in 9 countries around the world are determined to become a global leader in human resource outsourcing.

Over the past year Talent2 has made significant progress in refining its business model and meeting its strategic objectives with key staff appointments and strategic acquisitions. This process is ongoing and the announcements that will be made today by Andrew are further steps along this path. Talent2 is building a solid platform for growth in an area of revenue opportunity for Talent2 and cost saving opportunity for our corporate clients.

The goal is for Talent2 to build a leading human resource outsourcing presence in Asia Pacific. While Talent2 needs a global footprint to source talent the outsourcing business focus is on Australia and Asia. This is an achievable objective if Talent2 continues to build and strengthen its global management team.

Over the last twelve months I worked with the board and management to set the course for future acquisitions and organic growth. With the success of these efforts and the strategy it set, the Board has been able to focus on the issues that come with our global growth objectives. The focus is on building a strong management team with leaders in key global locations. In that regard I would like to personally thank Andrew & John for their efforts in identifying key opportunities around the world. In my view, I have not met leadership more able to find, employ and motivate people around the globe.

With success comes enjoyment and I can say it has been an enjoyable experience working with Talent2's board and management team over the last twelve months. As Chairman there are some special things that I would like to acknowledge.

Firstly, I would like to recognise at this meeting the great contribution Brian Gibson has made to Talent2. After a significant contribution as an Australian senator, Brian has been a key contributor to Talent2 as a most accomplished colleague on the Talent2 board and as chairman of our audit and risk committee. Brian the board and management thank you.

Secondly, the strategic acquisition of BizEd Services, a key player in outsourced learning, is a significant key to developing our HR outsourcing model.

Thirdly, it should be noted that over the last twelve months Talent2 has opened new offices in Kuala Lumpur, Shanghai, London and Tokyo, and focussed on the management in each of these outposts.

Fourthly, the appointment of people like Anand Shankar in Singapore is fundamental to expanding our HR Outsourcing business opportunities throughout Asia.

Andrew will be reminding us of the detail of results for last year and updating our current activities, but it does give me great pleasure to acknowledge another record after tax profit and that Talent2 has the momentum to leverage its expansion into one of the most promising sectors of growth in the world.

In recognition of our confidence in the company and the opportunity, your board recently paid an unfranked final dividend of 3.5 cents per ordinary share. It is the Board's view that we can build both a strong dividend policy and maintain our international growth strategy.

In closing, I would like to thank all of you for coming to our AGM today. As with our customers and staff our shareholder's play a key role in our development. Your interest and support is very welcome.



**MANAGING DIRECTOR'S ADDRESS TO ANNUAL GENERAL MEETING,  
Delivered by Andrew Banks, Sydney, 7<sup>th</sup> November 2007**

You have all already seen the June numbers, so I won't go through the details on the slides except to again echo Ken's thanks to John and his team for an outstanding effort.

John and I go back to the old Morgan & Banks days so he knows, the better he performs the more we keep demanding of him. Talent2's practice is to not provide the market with forecasts and profit guidance. However I can say that our current trading and growth trends continue and are in line with our budgeted expectations. Recent wins (over and above the Telstra contract) over the last couple of months in managed services alone will add \$2 Million in project work and another \$10 Million of recurring revenue with much more next year once all these new projects reach full momentum and are running at full steam.

A few months back we flagged our intentions regarding growth which included more acquisitions that made sense. We are looking at a number of opportunities at the moment, each expanding our service offerings or expanding our geographic footprint.

In the last few days we concluded the acquisition of InterSearch UAE, a leading executive recruitment business based in Dubai, employing 30 people and with additional offices in Qatar, Abu Dhabi, Bahrain and Oman. This gives us an immediate premium presence in the Middle East, a region experiencing enormous recruitment growth during these times of record oil prices.

We are also in the final stages of acquiring TOG, a payroll services provider in Japan, that already pays over 55,000 people in Japan, effectively doubling the size of our business in Asia. When combined with our Talent2Works™ technology, it will allow us to leverage that business rapidly. Subject to Due Diligence, this deal will close at the end of this month, combining nicely with our new high end recruitment office that opened last month in Tokyo. My previous experiences in Japan with Morgan & Banks makes me confident that it will be an important contributor to revenue and a profit earner within a year.

Given we have a number of other possible transactions under review, both in Australia and overseas, I can also report that we recently secured a \$30 million banking facility that gives us further flexibility when considering further acquisitions.

In a world that has become somewhat more "stressed" by global credit demands and interest rate hikes, we see no let up at all in the demand for companies to secure, train and retain the talent they need to grow, or even stay in business! In fact the acceptance of HR Outsourcing and the need for smart companies to partner with a firm that can assist them with talent managements is accelerating as it strikes to the heart of competitive advantage!

In summary your management confirms we are a fast growth company and remain focussed on the goal of becoming a leading provider of creative Talent Management interventions in any market where the returns and quality of our services can operate effectively!