

talent² WELL POSITIONED FOR THE RECOVERY

Talent2 International Limited 2009 Analyst Presentation



2009 Business Review

- > Team Introductions
- > Presentation
- > Questions

Our Position

- > Proven business model
- > Great people
- > Strong client base
- > Financially strong
- > Re-aligned cost base

Full Year Results

	FY 2009 (m)	FY 2008 (m)	Growth
Revenue	\$229.0	\$229.3	-0.1%
Gross profit (NDR)	\$151.4	\$142.8	+6%
EBITDA	\$10.5	\$20.3	-48%
Return on NDR	7.0%	14.2%	
Reported earnings after tax	(\$7.6)	\$9.3	-181%
Reported EPS	(6.0c)	7.6c	-179%
Adjusted earnings after tax*	\$2.1	\$11.9	-82%
Adjusted EPS*	1.7c	9.8c	-83%

* Adjusting for impairment and the amortisation of acquired intangibles under AIFRS

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Impairment Charge

Impairment charge against recruitment acquisitions in:

Country	Charge (m)	Percentage of Investment
United Kingdom	\$2.5	80%
Hong Kong	\$3.7	60%
India	\$0.3	100%
Total	\$6.5	

- > Non cash charge
- > Five year discounted cash flows do not support carrying value of intangible assets

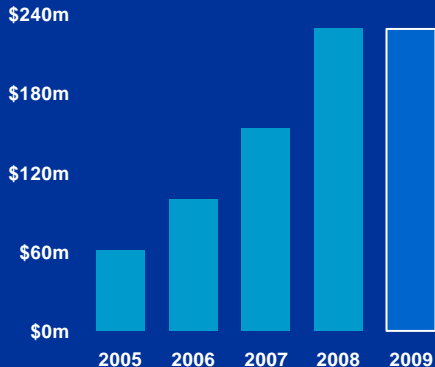
Tax Charge

Tax charge high due to impact of:

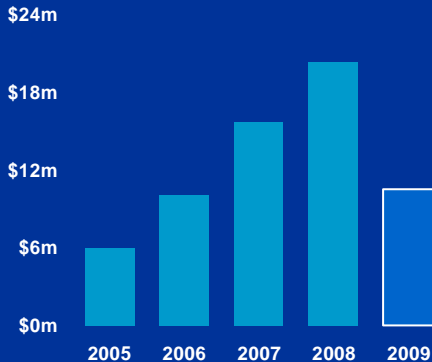
Impairment charge not tax deductible	\$6.5m
Amortisation of equity incentives not tax deductible	\$1.7m
International tax losses not recognised as recoverable	\$2.2m

Group Revenue and Profit

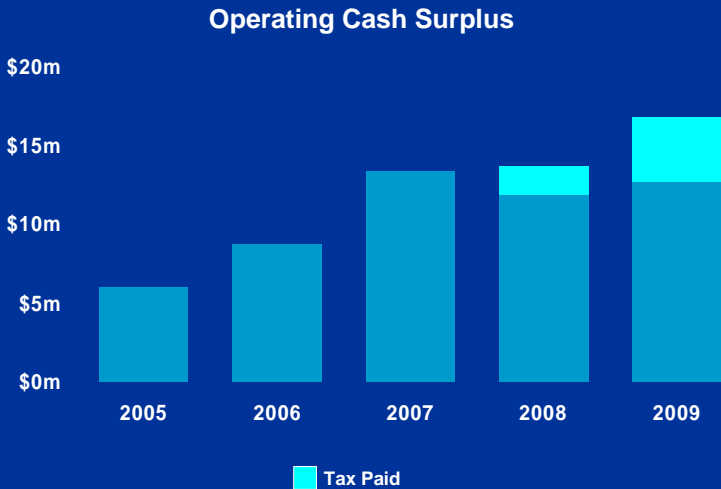
Revenue Steady



EBITDA 48% Fall on Last Year



Operating Cash Surplus



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Debt Position

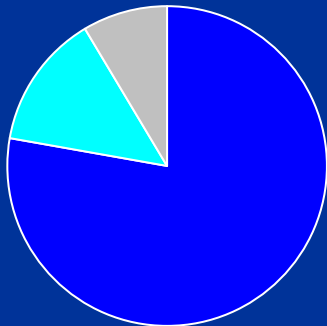
Balance at 30 June 2008	\$12.8m
Impact of foreign currency movements	\$2.4m
Acquisition of The Learning Group	\$1.7m
Repayments	(\$0.7m)
Net movement in Finance Leases	\$0.4m
Balance at 30 June 2009	\$16.7m

- > Average interest rate approximately 3.4%
- > At 30 June 2009, 86% of debt and 48% of cash held in foreign currencies

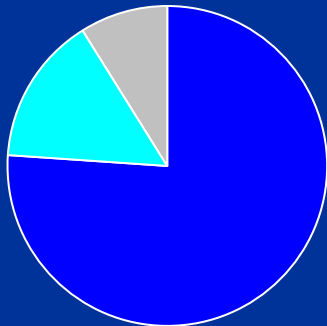
Group Revenue Mix

Total Split by Region

2008



2009

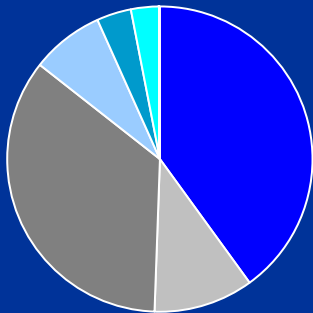


Aus/NZ Asia EMEA

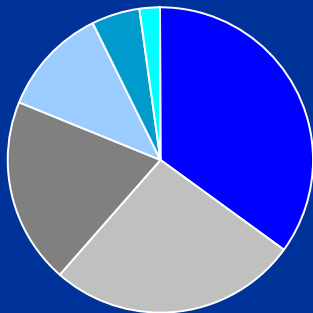
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Asia Revenue Mix

2008



2009

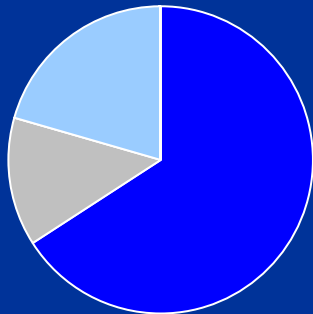


■ Singapore ■ Japan ■ Hong Kong
■ Malaysia ■ China ■ Other

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Asia Revenue by Segment

2008



Recruitment



Payroll Outsourcing

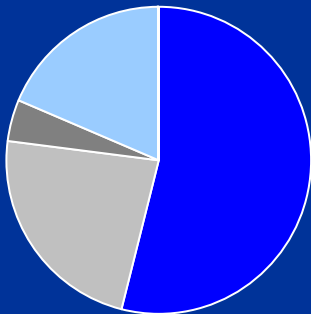


Training & Development



Outsourced Recruitment

2009

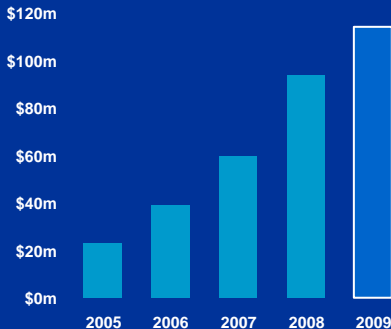


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Managed Services

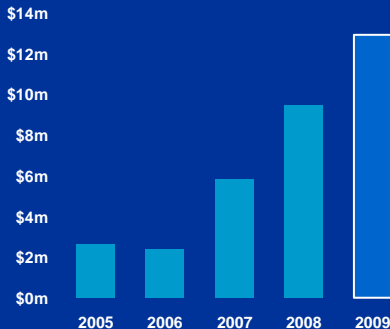
Revenue

22% Growth on Last Year



EBITDA

37% Growth on Last Year

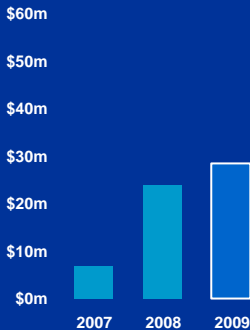


Managed Services Revenue Dissected

Payroll Outsourcing



Training and Development



Outsourced Recruitment



Managed Services

- > Model evolving and showing resilience to market conditions
- > All service lines reporting growth
- > Proven solution to solving cost and cash flow issues
- > Ready to reap reward from investment in pan Asia payroll capability

RPO Business Surges – Employers Look to Restart Hiring

- > Recruitment departments downsized
- > Capacity to re-hire fast diminished
- > RPO solution meets the need and delivers cost savings of 25%+

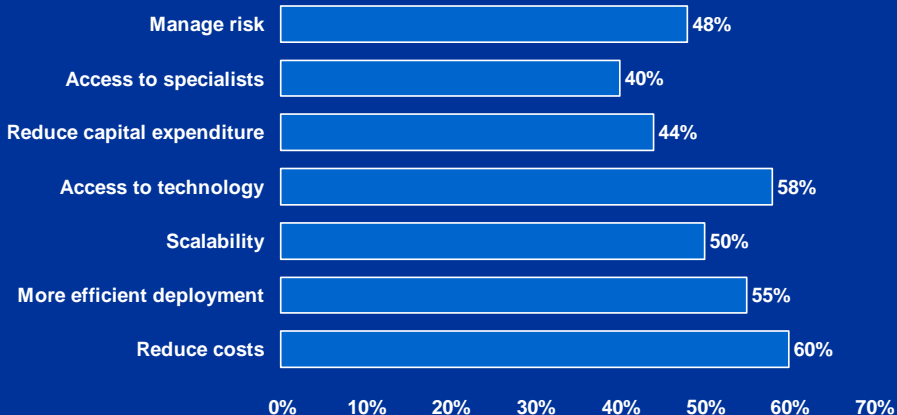
Managed Learning Services

Maximising Value of Clients'
Learning and Development Investment



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Management Drivers – Managed Learning Services



Learning Outsourcing

- > Improving employee productivity/managing talent critical as business recovers and grows
- > Outsourcing demand continues as cost reduction focus drives search for high value alternatives
- > Few competitors in market place offer full range of Talent Management services
- > Strengthened capability to respond to high growth and demand for Talent Management systems/services



An Integrated Talent Management Approach

Covering
the Employee
Life Cycle



Talent2 partners with CSOD for Complete Talent Management

Gartner

2008 Corporate Learning
Systems Magic Quadrant



Highest Rating
(Only SaaS Leader)

Gartner

2009 Employee Performance
Management Magic Quadrant



Among top 4-5 vendors;
“best-in-class” performance/succession
functionality and customer experience

B&S BERSIN & ASSOCIATES

2008 Talent Management
Suites Market Study



Highest Rating

B&S BERSIN & ASSOCIATES

2008 Essential Guide to Employee
Performance Management Systems



Highest rating in 11
of 14 categories

Learning Content Development

Heat Stress Awareness - Microsoft Internet Explorer

Heat Stress Awareness

Symptoms Risk Mgmt. Risk Assmt. Controls

The soldier on the right side of the screen could be experiencing several signs of heat stress.

Click the areas on the soldier marked with a circle to explore these symptoms.

Risk Factors ✓

Explore how **temperature**, **water intake** and **physical activity** can contribute to heat stress by adjusting the sliders below.

Air Temperature

increase increase

Water Intake

decrease decrease

Physical Activity

increase increase

Reset Show Effect

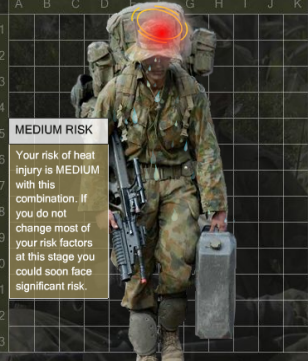
There are many other factors that contribute to heat injury. Review the "Facts" at the bottom of the screen to learn more.

Exit Help Facts Policy

Click a small circle on the soldier, click a Topic Tab or adjust the Risk Factor sliders to learn more.

MEDIUM RISK

Your risk of heat injury is MEDIUM with this combination. If you do not change most of your risk factors at this stage you could soon face significant risk.



	A	B	C	D	E	F	G	H	I	J	K
1											
2											
3											
4											
5											
6											
7											
8											
9											
10											
11											
12											
13											


Done Local intranet

Macromedia Flash Player 7


File View Control Help

Click the **Next Activity** button...

Flexible Dining



Mr. Johnson...



Mr. Johnson
"Actually, I would have preferred to have been offered all three of these..."

"I really love it when some parts of the flight can work around me – it makes the whole flight so easy."

☐ When Mr. Johnson finished his work, I would have given him a few minutes to pack up his computer, and then I would have asked him if he was ready for his meal – he shouldn't have had to press his call button.

☒ I would have let Mr. Johnson know how long the meal would take to be prepared, and I would have asked him if he'd like something to drink while he waited.

☒ I would have returned to Mr. Johnson with a hot towel.

Back Next Activity

New Managed Services Clients


TATWEER

 **UnitedGroup**
Limited


Wesfarmers


University of
Western Sydney
Bringing knowledge to life


symbion
Health


Patties
FOODS

 WHK Group Limited

AIG


TRU
energy

NSW  HEALTH


NORTEL

Brambles


جلفار
Galfar

Cadbury



Agilent Technologies


JUMEIRAH
GROUP


OET

 **WAGGENER EDSTROM**
WORLDWIDE | PUBLIC AFFAIRS


GrainCorp

**Goldman
Sachs**

 **RALPH LAUREN**

 **@bahrain**

 **BRITISH
COUNCIL**


DRIZA-BONE
AUSTRALIA

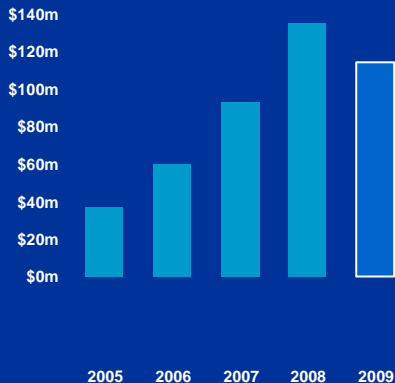
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Managed Services Patterns

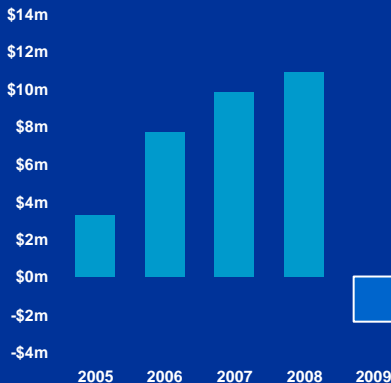


Recruitment

Revenue 15% Fall on Last Year



EBITDA Loss reported



Recruitment

- > Permanent recruitment market hit brick wall October 2008
- > Q3 2009 – toughest quarter on record
- > Business ‘right sized’ – profit in Q4 2009
- > Trend line flattened – confidence improving
- > Consultant force in place to benefit from upturn through improved productivity
- > Geographical footprint retained

Strong Client Base – Land and Expand!

- > 20%+ Group's revenue from top 18 clients
- > Clients engaging across multiple services increased 60% in six months
- > Won first RPO engagement in UK
- > Won first engagement implementing three service lines concurrently
- > New enquiries increasing as clients look for fast effective solutions to their business needs

The Crisis is Over

Now to Capitalise on Recovery

- > Certainty aids decision making
- > Decision making results in transactions/
profitability
- > APAC will be first to recover
- > Increased investment in sales in Asia
- > Benefit from our positioning



QUESTIONS

Talent2 International Limited 2009 Analyst Presentation

