



## **TALENT2 – MARKET UPDATE**

Under ASX continuous disclosure requirements, Talent2 International Limited (TWO) has today advised the market that based on the results for the nine months to 31 March 2009, and current forecasts for the quarter to 30 June 2009, expected revenue for the year ended 30 June 2009 should be in the range of A\$225m to A\$250m. EBITDA for the year is estimated to be between A\$9m to A\$10m.

“Our Managed Services businesses continue to grow both revenue and margins across all three service lines, HR systems and payroll, outsourced recruitment and training and development,” said TWO’s Managing Director, Andrew Banks.

“However, the market for permanent recruitment has remained weak during the March 2009 quarter and despite the profits of the Managed Services division and careful cost management, the Group recorded a loss for the quarter due to the continuing challenges in the Recruitment division globally,” Banks said.

“Our relative market position remains strong, and we are seeing signs of stabilisation of demand for recruitment services again in Australia/NZ and the UK, but the Asian market remains volatile. While the June 2009 quarter will be stronger, the visibility for the next few months remains uncertain,” Banks said.

TWO’s CEO, John Rawlinson, said “the company’s cash position remains strong, at \$17.4m as at 31 March 2009, compared to \$17.9m as at 31 December 2008. Our gearing remains low, with debt steady at \$17.9m.”

TWO also advised that in accordance with relevant accounting standards a further review of the carrying value of its acquisitions would be undertaken as part of the June 2009 audit.

Additional impairment charges are expected for the recruitment operations in Hong Kong and the UK given that there has been a further deterioration in operating conditions and performance in both countries since the impairment review performed at 31 December 2008.



**About Talent2**

Around the world companies seeking competitive advantage are outsourcing their human resources (HR) requirements. To meet the increasing demand, Talent2 has strengthened its position as Asia Pacific's first end-to-end human resources outsourcing (HRO) business.

Talent2 is leading the region in executive recruitment, HR business process outsourcing and technology. It is focused on providing integrated HR solutions that are innovative and effective. Talent2 helps its clients to "Acquire, Manage and Optimise" their talent so that they can focus on growing their businesses.

Talent2 has offices across Australia, Bahrain, China, Hong Kong, India, Japan, Malaysia, New Zealand, Oman, Papua New Guinea, Qatar, Singapore, Taiwan, the UAE, the UK and the US to serve its extensive client base of blue-chip multi-nationals and public sector organisations.

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