Rubicor

Full Year Results

30 June 2010

Financial Summary

Financial Highlights	FY 2010 30/06/10	FY 2009 30/06/09	Change	HY2 2010 30/06/10	HY1 2010 31/12/09	Change
Total Revenue	**$ 280.6 m**	$ 316.8 m	(11)%	$144.1 m	$ 136.5 m	6%
NDR (Gross Margin)	**$ 62.6 m**	$ 78.5 m	(20)%	$ 32.9 m	$ 29.7 m	11%
Underlying EBITDA [1]	**$ 9.2 m**	$ 8.0 m	15 %	$ 5.7 m	$ 3.5 m	63%
Statutory EBITDA	**$ 9.0 m**	$ 5.7 m	58 %	$ 5.6 m	$ 3.4 m	65%
Underlying NPAT [1&2]	**$ (1.8)m**	$ (2.8)m		$ (0.5)m	$ (1.3)m	
Statutory NPAT	**$ (8.3)m**	$ (44.0)m		$ (3.3)m	$ (5.0)m	
Underlying EPS [1&2]	**(1.6) c**	(2.6) c		(0.5) c	(1.1) c	
Operating cash flow	**$ 10.8m**	$ 16.7 m	(35)%	$ 10.3 m	$ 0.5 m	large

[1]Before significant items FY10: $0.2m; FY 09 $2.3m ($1.6m after tax) relating to redundancy, premises relocation and refinance advisory costs.
[2]Before amortisation of intangibles, notional interest on deferred payments for business acquisitions under IFRS and impairment of non-current assets
[3] Before interest and taxation

Operational highlights

Efficiency and cost control:

- Consultant numbers down 40% from peak
- Consultant efficiency averaging 42% down from 50% in FY 09 and nearing long term target of below 40%
- Strong improvements in consultant productivity second half
- $15m cost savings achieved from FY09 initiatives

Growth and performance:

- Positioning within growth sectors such as mining & resources, engineering, IT finance & accounting
- Client leverage opportunities continuing
- Selectively adding consultant headcount to meet increased jobs growth

Capital Management

Financing:

- Continued bank support
- Earn-out payments of $1.7m & $4.7m funded in 07/09 &11/09
- Bank facilities revised; earnings positive & cash flow neutral
  - Term facilities extended to 31 Jul 11
  - Quarterly amortisation to increase, offset by reduction in interest rate margin and fees
- No final dividend
- Positive cash flow of $10.8m achieved

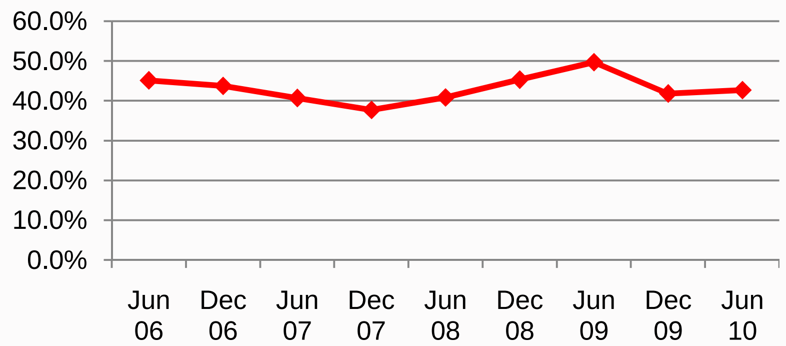
Acquisition model:

- Payments align with profitability
- Amounts owing to vendors peaked FY09; to be extinguished by FY14

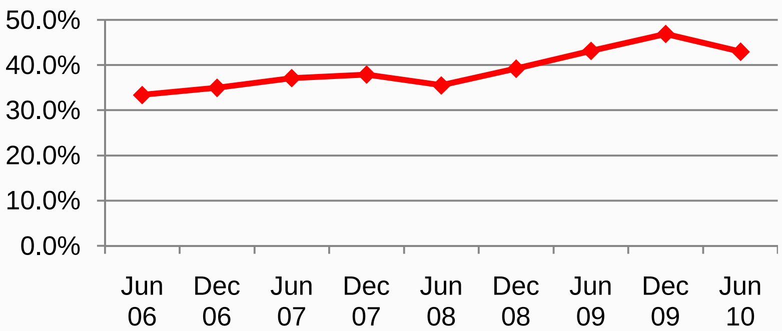
Key operating indicators

- Consultant efficiency nearing target of below 40%
- EBITDA:NDR doubled 2H09 to 2H10

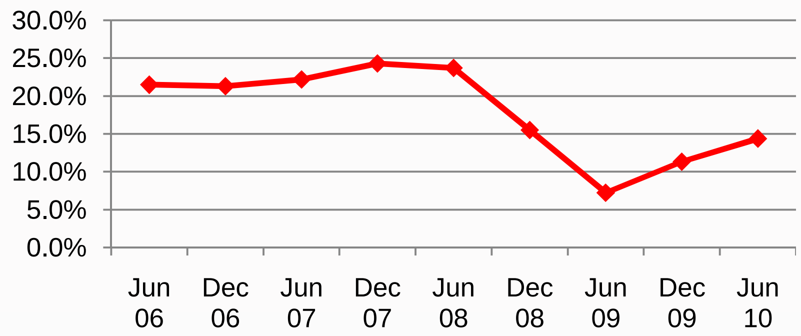
Consultant costs to NDR:Target below 40%



Other costs to NDR



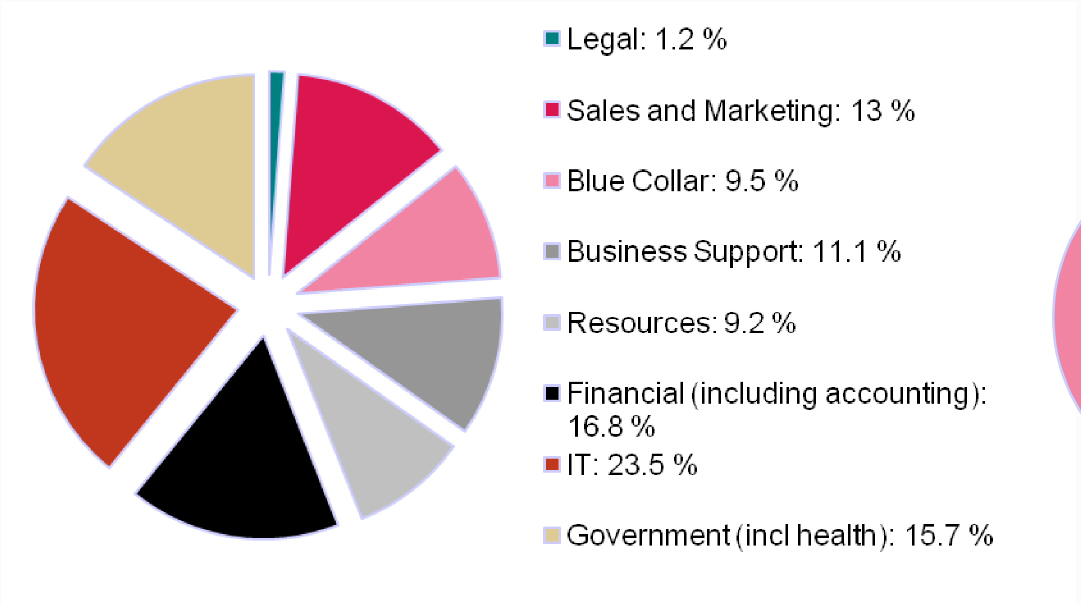
EBITDA to NDR: Target above 23%



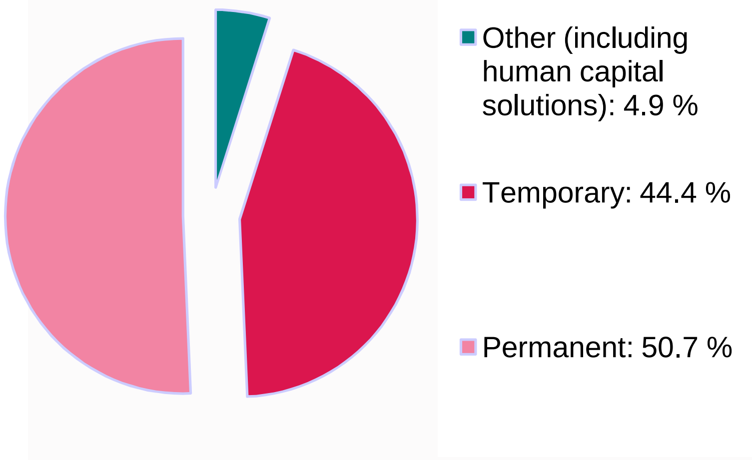
Business profile

- DIVERSITY: RUB able to exploit sectoral job 'hot spots'
- MIX: Return of more profitable permanent placements as confidence comes back into job markets

Industry

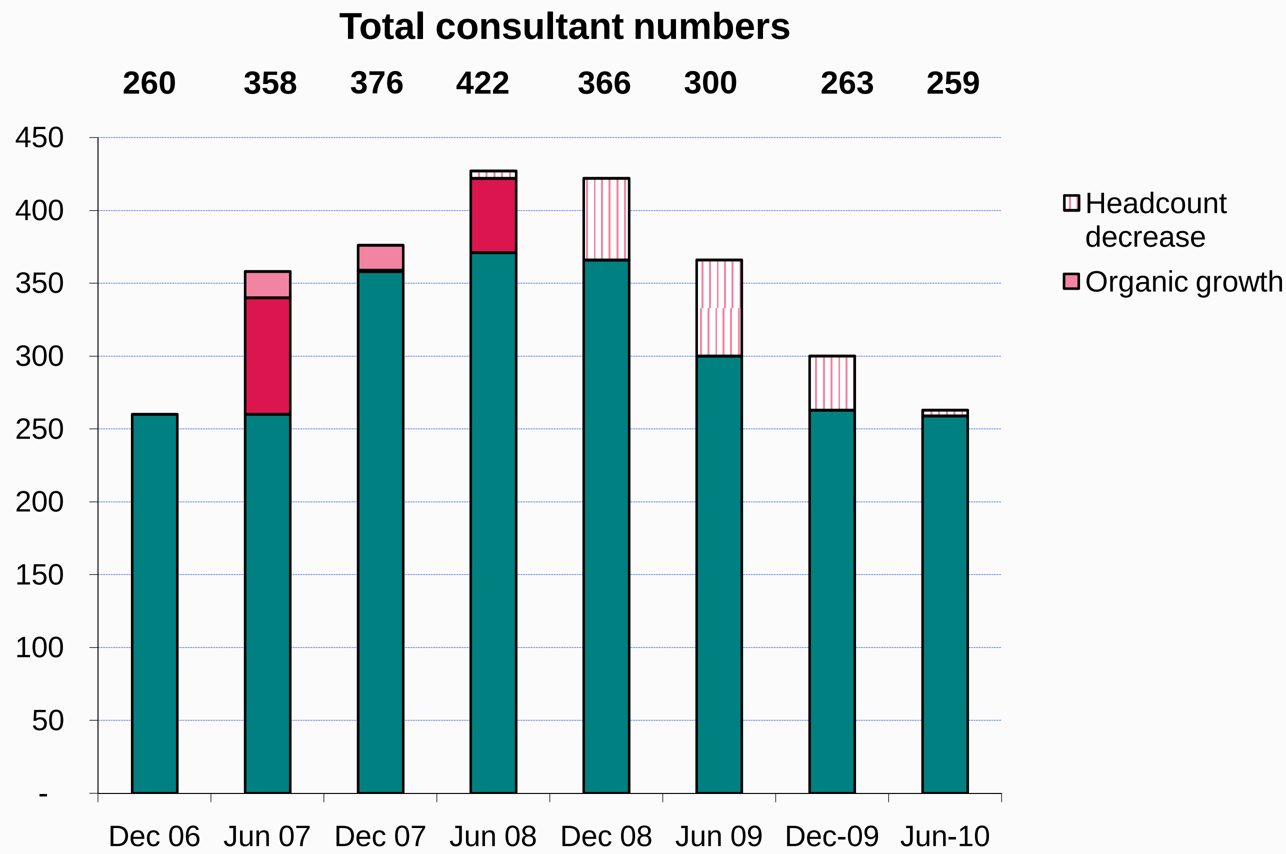


Service



Consultants

- Further reduction of 41 consultants in FY 10: 40% down from peak
- Selective growth to meet job ‘hot spots’



Underlying profitability

= best indicator of performance

Rubicor
CONNECTED PEOPLE

12 months ended 30 June	2010 $M	2009 $M	Change %
Revenue	**280.6**	**316.8**	**(11)**
NDR (Gross margin)	62.6	78.5	(20)
EBITDA	**9.2**	**8.0**	**15**
Depreciation	(1.0)	(1.1)	
EBIT	**8.2**	**6.9**	**19**
Finance costs – amortisation	(1.5)	(2.1)	
Finance costs – interest/charges	(7.9)	(6.9)	
Loss Before Tax	(1.2)	(2.1)	
Tax	0.4	0.6	
Cash interest on vendor liabilities	(0.8)	(1.3)	
NPAT	**(1.6)**	**(2.8)**	
NPAT attributable to equity holders	**(1.8)**	**(2.8)**	
EPS (cents)	**(1.6)**	**(2.6)**	

Excludes significant items - $0.2m FY10 $2.3m in FY09

Financial position

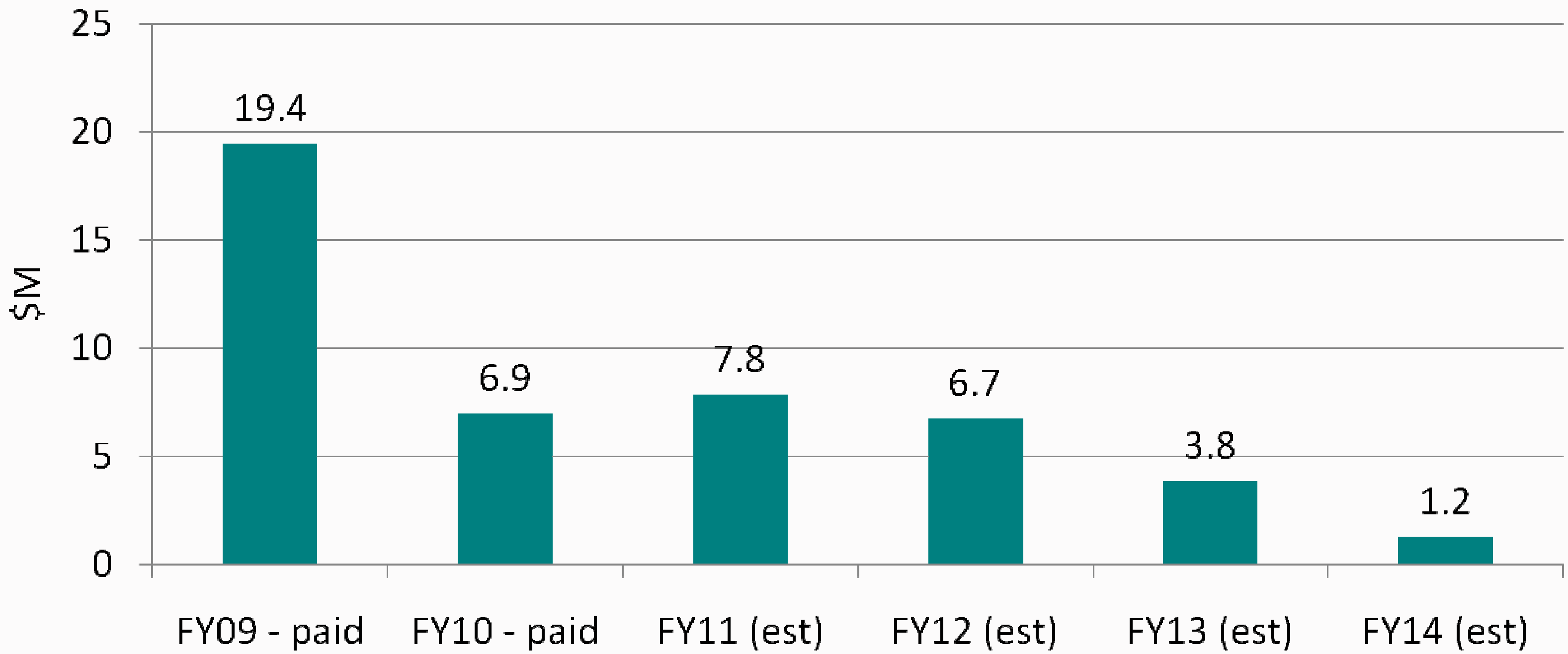
	30/06/10 $M	30/06/09 $M	Change %
Cash	3.6	3.0	18
Receivables	38.0	36.3	5
Goodwill (Impairment testing [i])	71.3	68.0	5
Identifiable intangibles	7.3	12.9	(44)
Other assets	10.6	10.7	(1)
Total Assets	**130.8**	**130.9**	**0**
Current Liabilities			
Trade payables	25.6	21.0	22
Deferred vendor consideration	7.5	7.6	(1)
Borrowings – working capital	24.0	24.4	(1)
Borrowings – acquisitions debt (Bank borrowings re-classified to current [ii])	53.8	23.0	134
Non Current Liabilities			
Deferred vendor consideration	9.3	11.7	(21)
Borrowings – acquisitions debt (Bank borrowings re-classified to current [ii])	0.0	24.5	(100)
Other liabilities	3.2	3.3	(4)
Total Liabilities	**123.4**	**115.5**	**7**
Net Assets	**7.4**	**15.4**	**(52)**
Net Asset backing (cents)	**6.7**	**14.1**	

i Goodwill balances were subject to impairment testing and $32m was written off in FY09.
ii Classified as current as due for repayment within the next 12 months

Vendor payment profile

- Payments to vendors peaked in FY 09 and are expected to be extinguished by FY14[i]

Estimated Vendor Earn Out Payments (FY11-FY14)



i Estimated vendor earn out payments at future value of $19.5m.
Balance sheet (Vendor earn out liabilities) at present value of $16.8m.

Outlook

Short term: Positioning to optimise stronger economic environment

- Economic indicators show solid employment demand
- Focus on organic growth exploiting high growth sectors & geographies
- Hiring additional consultants to support growth
- Continued consultant productivity optimisation
- Technology driven optimisation programs
- Leveraging client relationships more significantly across operating companies
- Strengthening capability through training and development programs for consultants and managers

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

Appendices

Statutory profitability

Includes significant items - $0.2m FY10
$2.3m in FY09

12 months ended 30 June	2010 $M	2009 $M	Change %
Revenue	**280.6**	**316.8**	**(11.4)**
NDR (Gross margin)	**62.6**	**78.5**	**(20.2)**
EBITDA	**9.0**	**5.7**	**58.5**
Depreciation	(1.0)	(1.1)	
Amortisation	(5.6)	(6.3)	
EBIT	**2.4**	**(1.7)**	
Notional interest on vendor liabilities	(1.9)	(3.0)	
Finance costs – amortisation	(1.5)	(2.1)	
Finance costs – interest/charges	(7.9)	(6.9)	
Impairment charge	(0.2)	(32.4)	
Loss Before Tax	**(9.1)**	**(46.1)**	
Tax	0.8	2.2	
NPAT	**(8.3)**	**(43.9)**	
NPAT attributable to equity holders	**(8.5)**	**(43.9)**	
EPS (cents)	**(7.7)**	**(40.7)**	

Reconciliation of statutory to underlying

Underlying NPAT adjusts for significant items, AIFRS-required amortisation, notional interest on vendor liabilities and goodwill impairment

12 months ended 30 June	2010 $M	2009 $M
Statutory NPAT – Equity holders	**(8.5)**	**(43.9)**
Significant items	0.2	2.3
Significant non cash items		
Add back: Amortisation of identifiable intangible assets	5.6	6.3
Notional interest on vendor liabilities	1.9	3.0
Impairment of goodwill	0.2	32.4
Deduct: Cash interest on vendor liabilities	(0.8)	(1.3)
Tax effect	(0.4)	(1.6)
Underlying NPAT – Equity holders	**(1.8)**	**(2.8)**