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ASX ANNOUNCEMENT

26 November 2007

FY 2008 FIRST HALF OUTLOOK

The Board of Candle Australia Limited advises the result for the first half of FY 2008 for Candle Australia Limited will be slightly below last year, before one-off costs.

The underlying businesses of Candle Australia Limited are sound with growth in the core Candle operations and positive contributions from our other acquisitions. Overall, the Group's performance has been impacted by the significant underperformance of Lloyd Morgan Australia for the first four months of this financial year.

The results for FY 2008 will include some one-off costs associated with the recent restructuring of the business and the change of CEO and CFO. These costs are around \$1,100,000 before tax. We expect to deliver cost savings of an ongoing annual \$800,000 and this should benefit the second half of FY 2008.

Our focus has been to maintain our strengths and reduce our infrastructure costs.

The company remains confident in its strategic direction and is well positioned to take advantage of the current strengths in the recruitment market and other expansion opportunities.

An Open Briefing by Diana Eilert, the CEO of Candle Australia Limited, will be released today.

By order of the Board

Nick Geddes
Secretary