



PROFIT GUIDANCE FOR THE YEAR ENDING 30 JUNE 2013

The Directors of the Clarius Group Limited provide guidance for the year ending 30 June 2013 of Net Loss After Tax in the range of \$0.7M to \$0.95M (after one off costs of \$0.5M). This compares to the \$2.1M Net Profit After Tax (before impairment loss) in the prior year. The one off costs and restructuring is expected to provide annualised savings of \$6.0M before tax. Of this, \$3.0M has been reinvested in the China business to take advantage of growth opportunities. The normalised operating loss after tax is expected to be in the range of \$0.2M to \$0.45M.

Kym Quick, Managing Director, said "The third quarter of 2013 presented some of the most difficult trading conditions that we have seen. Combined with a still lacklustre local permanent market, we also saw the flow on effect of the market's cautiousness in contracting revenues. A more pronounced impact from a longer than normal seasonal break combined with reduced demand for contractors, particularly in the IT sector, has seen a reduction in contracting gross margin. Several key accounts also saw reduced demand which negatively impacted contractor numbers."

The fourth quarter to date has provided better results in both permanent revenue and contractor numbers along with the healthiest sales pipeline that we have seen for some time. New client wins will also provide a stronger platform for growth in FY2014.

The re-investment of some of the restructuring benefits in Asia has resulted in significant growth in the business which is on track to achieve profitability in the fourth quarter and a breakeven result for the full year, following a number of years of losses.

The Board will review the carrying value of intangible assets as part of its year end processes.

The Company's cash position remains strong with little to no net debt expected at year end.

Nick Geddes

Secretary

For further information contact Kym Quick on 02 9250 8100.