

# SEEK Limited

## Results Presentation

### Full Year to 30 June 2006

August 2006

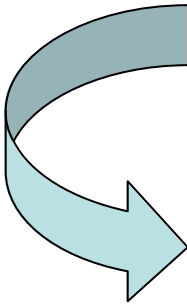
# 2006 Overview



## Consistency

### Strategy

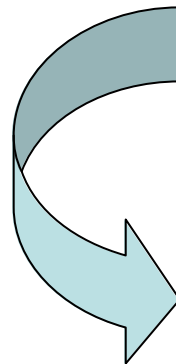
- Employment – Building the marketplace
- Learning – Destination for career related education & training



## Focus

### Operational Execution

- Market Leadership continues to grow
- Growing Brand awareness
- Best Employer Status
- Strengthened Management capability
- Improved Customer Satisfaction
- Learning – Product offering expansion



## Results

### Financials

- Exceeded guidance & prospectus across all metrics
- NPAT up 67%
- Fully franked dividend of 4.8 cents (H206)

# Financials

An advertisement for 'seek' featuring a black limousine. Above the limousine is a rainbow with the text 'make luck happen' written in red, cursive font across it. To the right of the rainbow is a cluster of colorful dots in red, green, and purple. At the bottom of the advertisement, there is a dark blue horizontal bar. Below this bar, on the left, is the text 'thousands of jobs > millions of opportunities' in a bold, lowercase, sans-serif font. On the right is the 'seek' logo, which includes the blue circle with a white grid of dots and the word 'seek' in a bold, lowercase, sans-serif font.

*make luck happen*

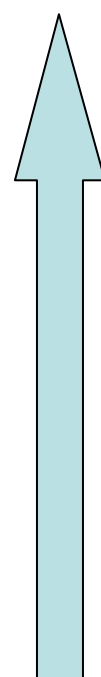
**thousands of jobs >  
millions of opportunities**

The logo for 'seek' consists of a blue circle containing a white grid of dots, followed by the word 'seek' in a bold, lowercase, sans-serif font.

# Earnings Summary



	FY05	FY06	% Chg	FY06 Prospectus	% Chg
	\$m	\$m		\$m	
Revenue	69.6	106.2	52 %	90.4	17 %
EBITDA	29.5	49.0	66 %	40.0	22 %
EBITA	28.5	47.5	66 %	38.8	22 %
NPAT	20.4	34.1	67 %	26.3	29 %
EPS	7.6	12.1	59 %	10.3	17 %
DPS		8.5		7.2	



# Profit & Loss Detail

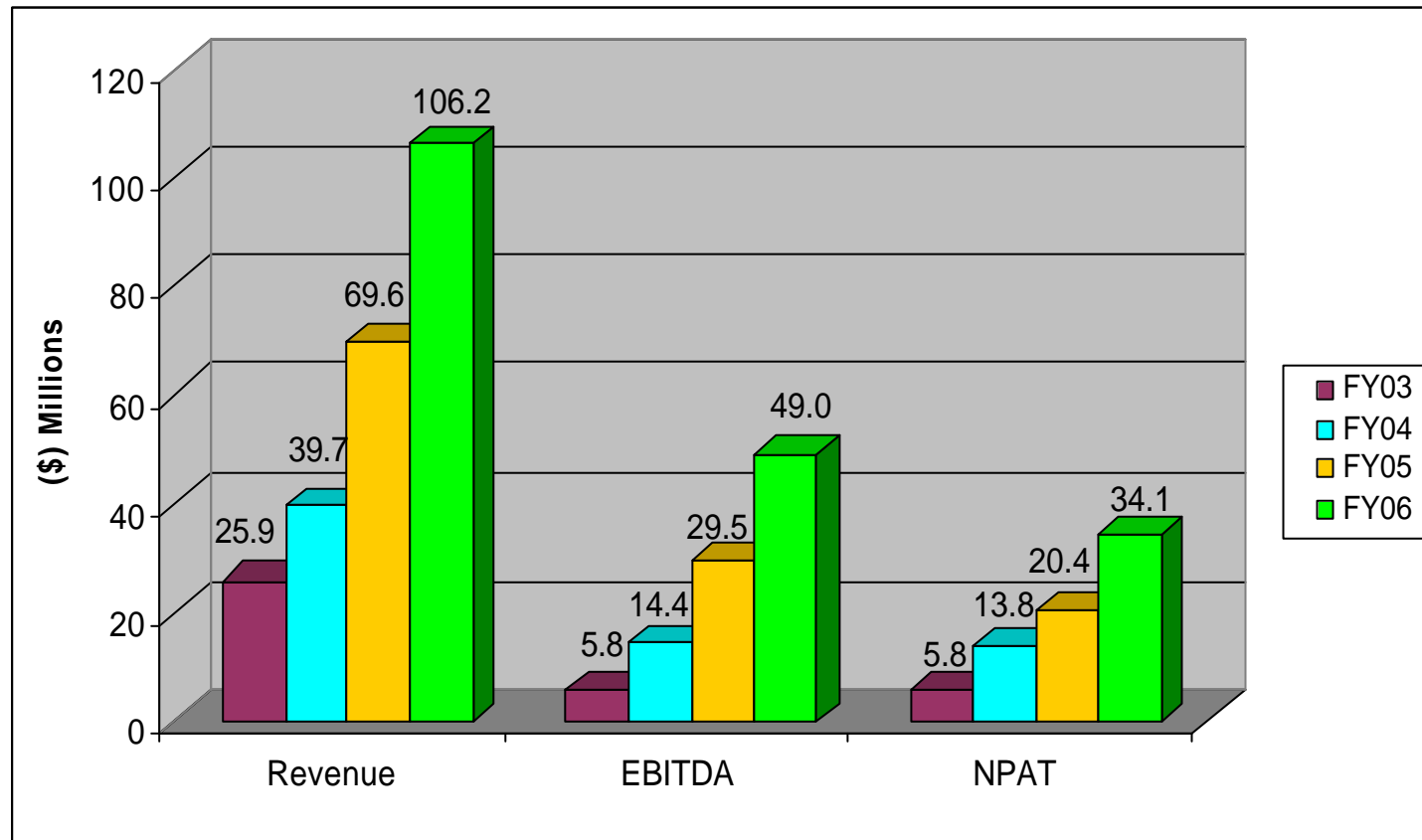


SEEK Ltd	FY04	FY05	FY06	\$ Vs	% Vs
Profit & Loss Year On Year				Prior Yr	Prior Yr
SEEK	39.7	63.5	95.1	31.6	49 %
SEEK Learning	-	6.1	11.1	5.0	82 %
Total Operating revenue	39.7	69.6	106.2	36.6	52 %
Operating Expenses	-25.3	-40.1	-57.2	-17.1	42 %
EBITDA	14.4	29.5	49.0	19.5	66 %
Depreciation	-0.5	-1.0	-1.5	-0.5	50 %
EBITA	13.9	28.5	47.5	19.0	66 %
Amortisation	-0.5	-0.1	-0.1	0.0	
AIFRS - Employee Options Charge		-0.9	-1.7	-0.8	
EBIT	13.4	27.5	45.7	18.2	66 %
Net interest received	1.1	1.7	3.1	1.4	82 %
Profit Before Income Tax	14.5	29.2	48.8	19.5	67 %
Income Tax Expense	-0.7	-8.8	-14.7	-5.9	67 %
NPAT	13.8	20.4	34.1	13.7	67 %

# Consistent growth over four years .....

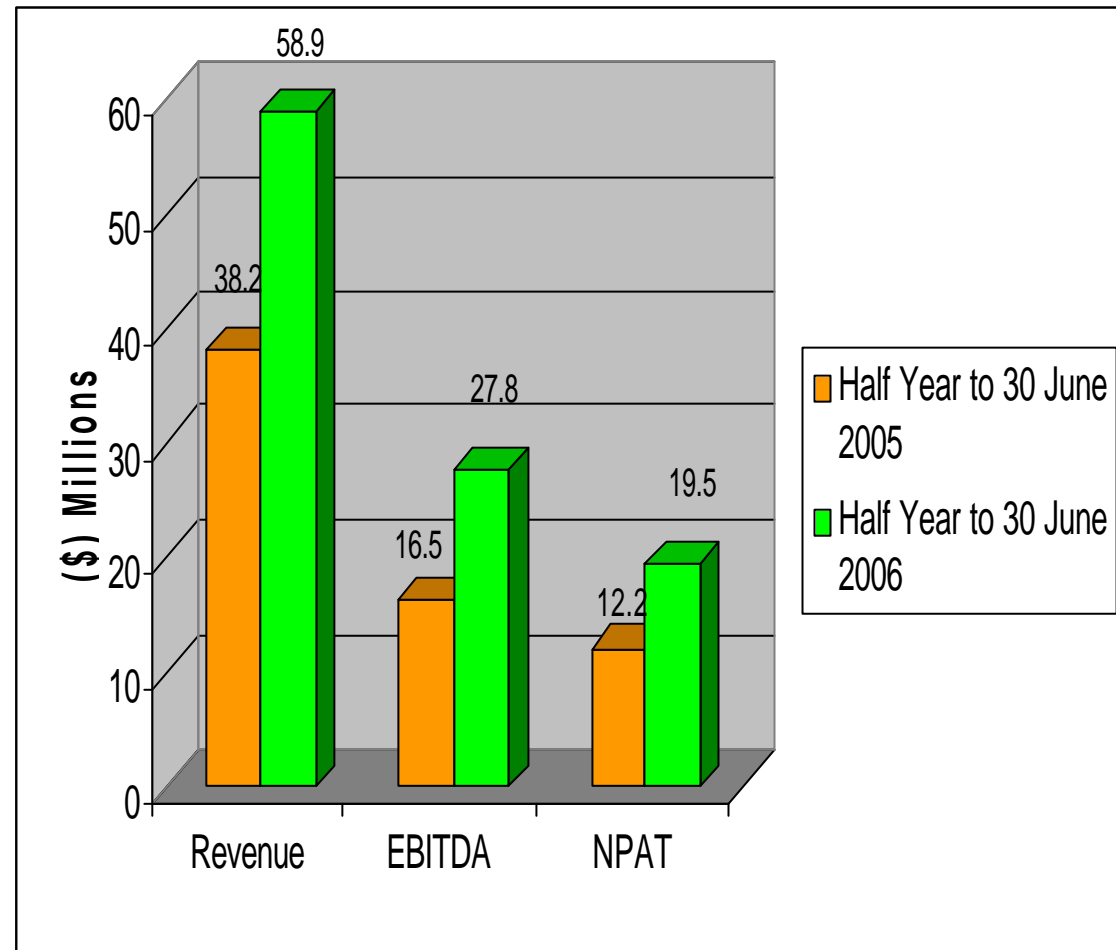


- Sustained P & L growth trajectory
- Continue to exceed prior year Revenue & EBITDA in absolute \$



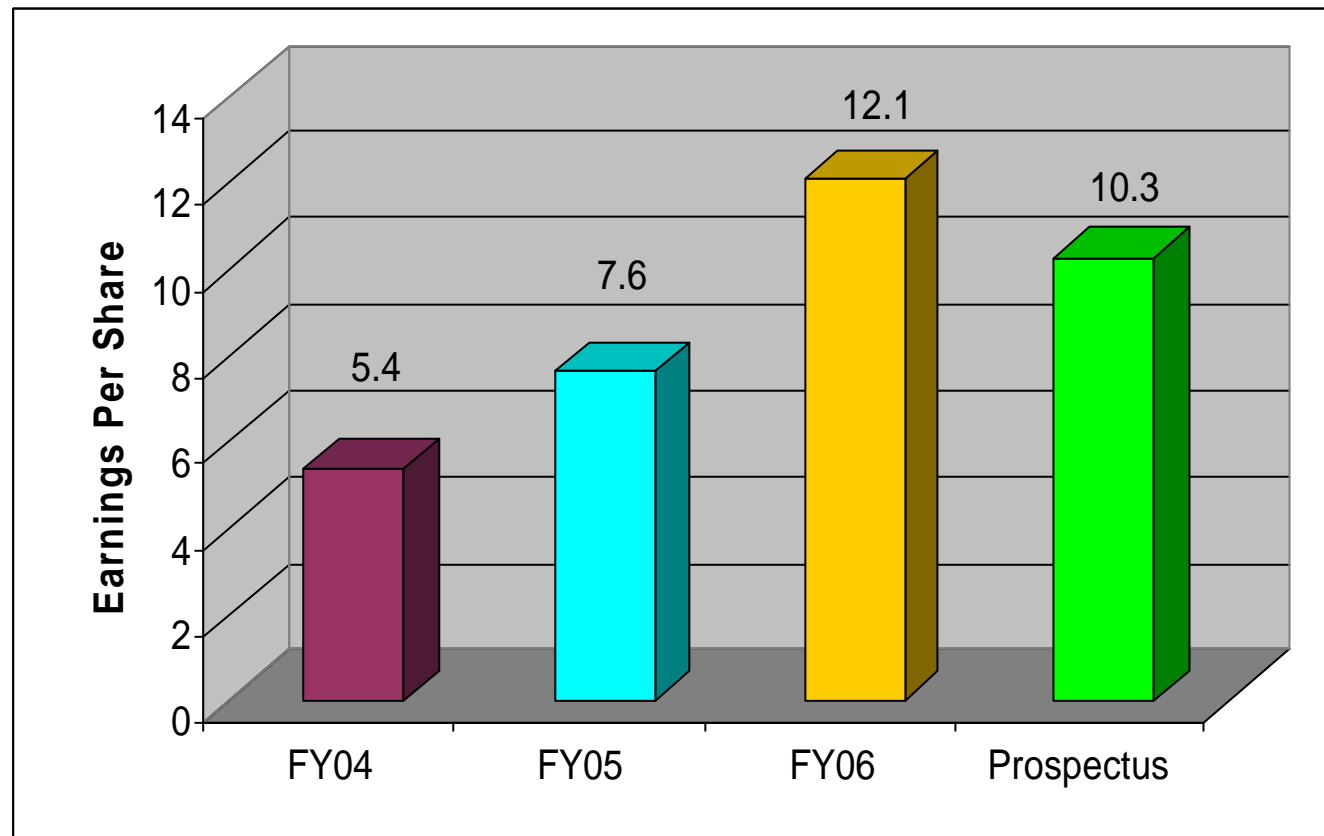
# Strong growth on prior comparative period - H206 .....

- Revenue up 54.2% PCP
- EBITDA up 68.5% PCP
- NPAT up 59.8% PCP



# Delivering improved returns Per Share.....

- 59.2 % increase in Earnings Per Share
- 17.5% above Prospectus



# FY06 key revenue drivers .....

**Employment Revenue up 49.8%**

## **Driven by :**

- Volume up 31.3%
  - Across both Australia and New Zealand
- Yield up 14.1%
  - Mix change continues to drive yield
  - Price rise – In line with increased value
- Product expansion
- SME revenue up 63% YOY
- Client numbers up by 42%

# Focused investment in platform for future growth .....

- FY06 Operational Expenditure up \$ 17.1m (42.6%)
  - Marketing - increased investment in Brand – “Make Luck Happen” campaign
  - IT infrastructure & SAP - ensure adequately positioned for growth
  - Product development –Jobseeker experience
  
- FY06 Capital Expenditure \$3.3m
  - Back Office capability for the future
    - Commenced Project BOOST – SAP implementation
  - Jobseeker experience
    - Search technology– New platform - FAST
  - Corporate governance / Risk mitigation
    - Disaster Recovery Program
  
- FY07 Capital Expenditure
  - Continued investment in SAP implementation

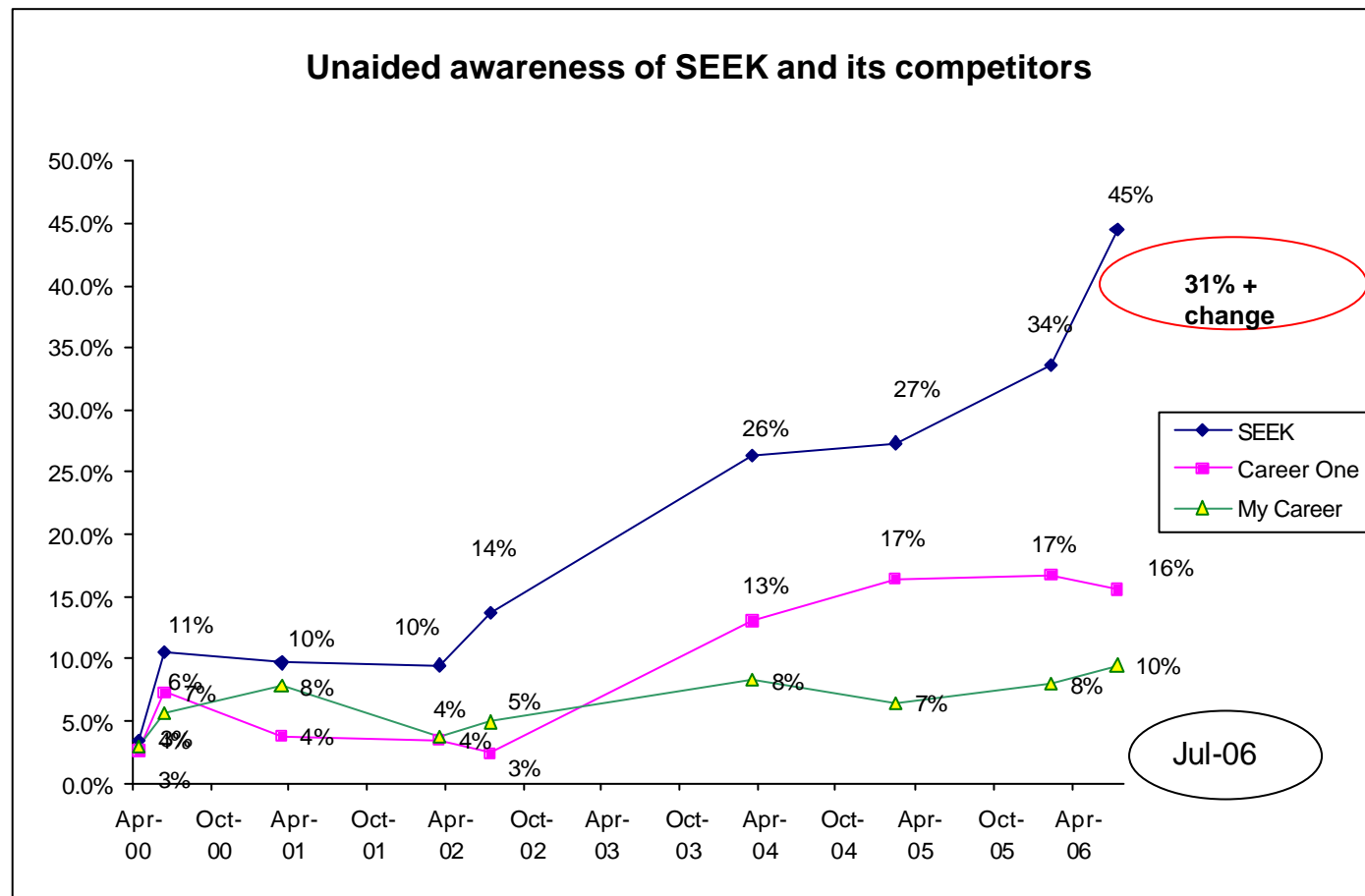
# FY07 Outlook .....

- FY06 result positions us well for FY07
- Employment market remains strong
- Continued migration of employment advertising from print to online is driving our growth
- Anticipate this migration continuing for several more years
- SEEK Learning is growing rapidly: organic growth and IDP acquisition
- We anticipate strong top and bottom line growth for the financial year
- We will provide more detail on trading conditions as the year progresses

# Employment Market Dynamics



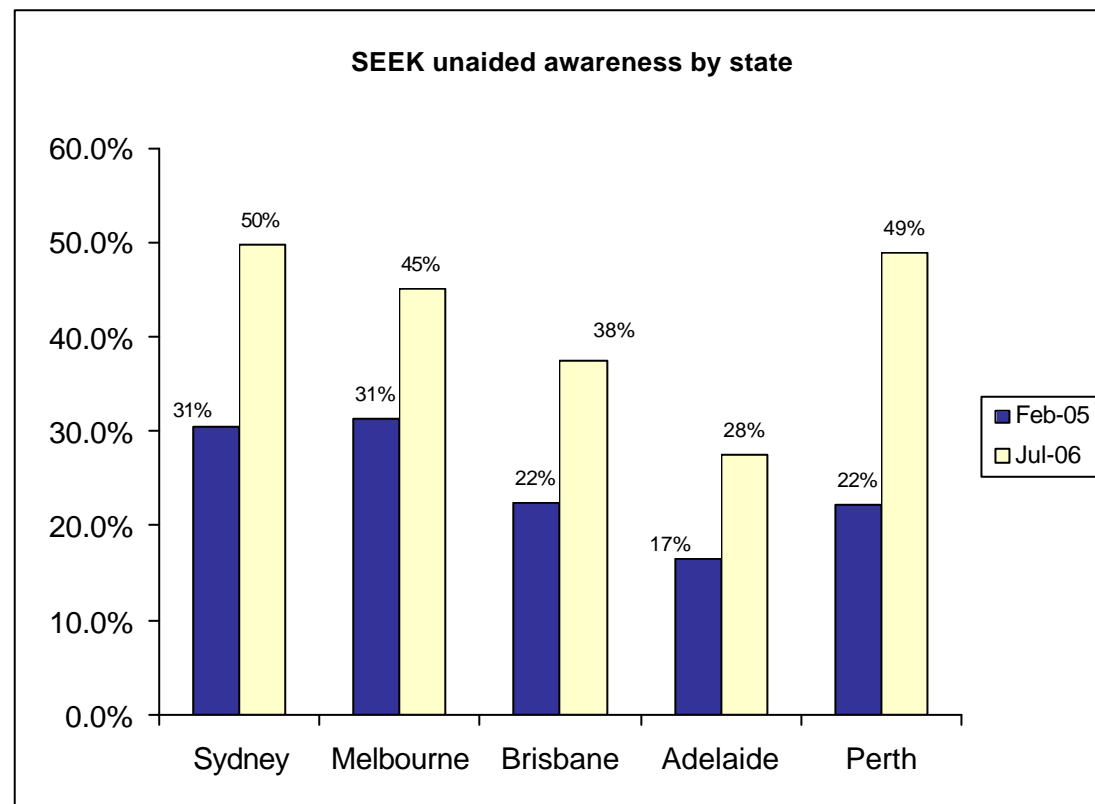
# Investment in Brand is delivering results with strong awareness lead over competitors ....



Q. When you think about employment websites on the Internet which comes to mind?

..... strong brand recognition across the country.....

- Unaided awareness of SEEK continues to grow across all major cities.



# SEEK has increased job ad volume and UBs and clearly widened the gap from our competitors.....



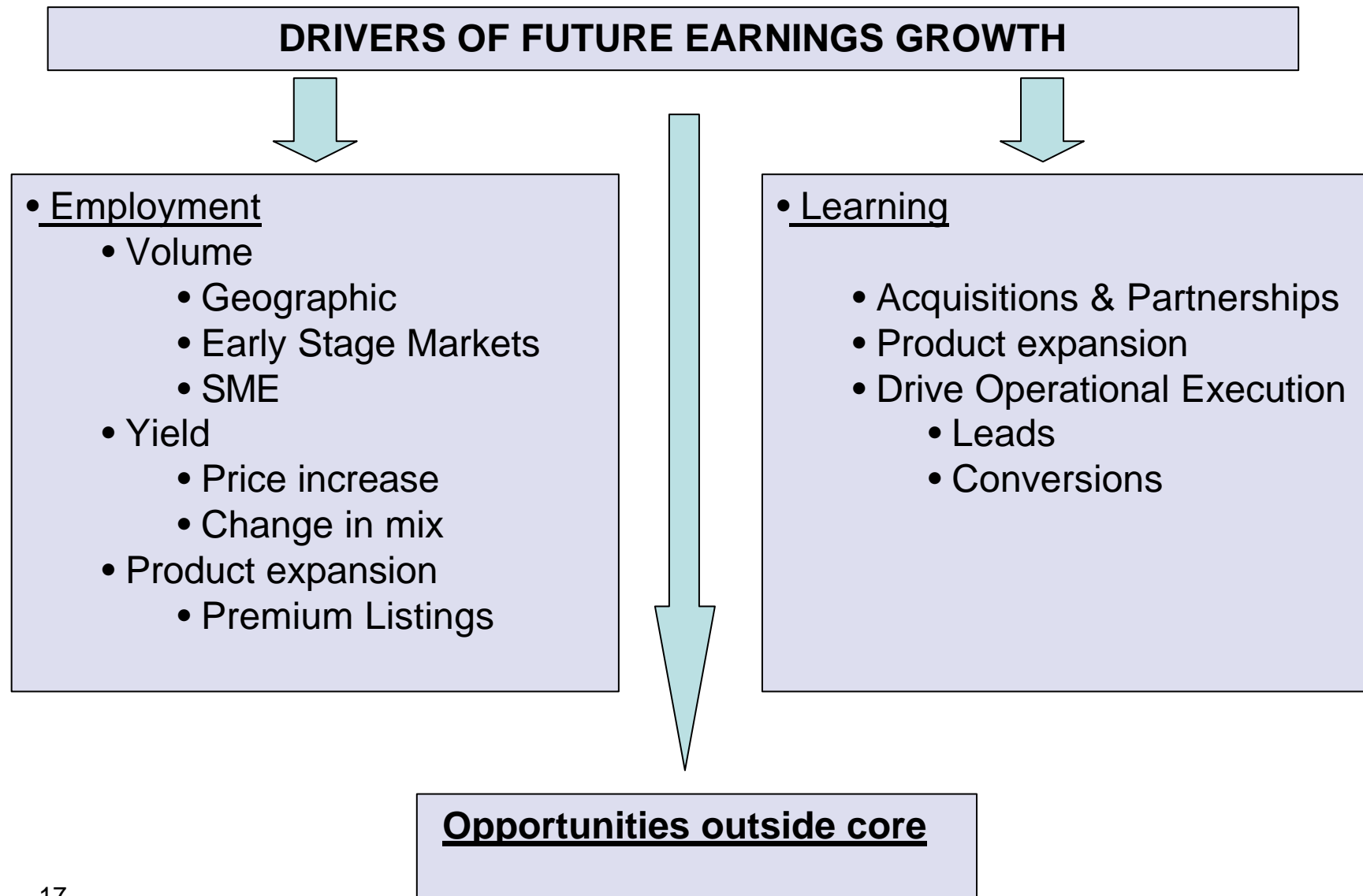
	UNIQUE BROWSERS					JOB ADVERTISEMENTS (4)				
	Jun-05	Jun-06	absolute growth	% increase	% reach	Jun-05	Jun-06	absolute growth	% increase	% share
SEEK	1,536,957	1,881,423	344,466	22%	66%	77,191	109,758	32,567	42%	55%
MyCareer	743,035	856,491	113,456	15%	30%	35,765	39,400	3,635	10%	20%
CareerOne	607,955	722,444	114,489	19%	25%	41,711	49,017	7,306	18%	25%

1. % reach is based on individual entity UBs divided by total employment market UBs. For June, total employment UBs was 2,869,357.
2. % share is the % split between SEEK, MyCareer and Careerone.
3. Source : Nielsen / Net Ratings June 2006
4. Australian job ads only

# Growth



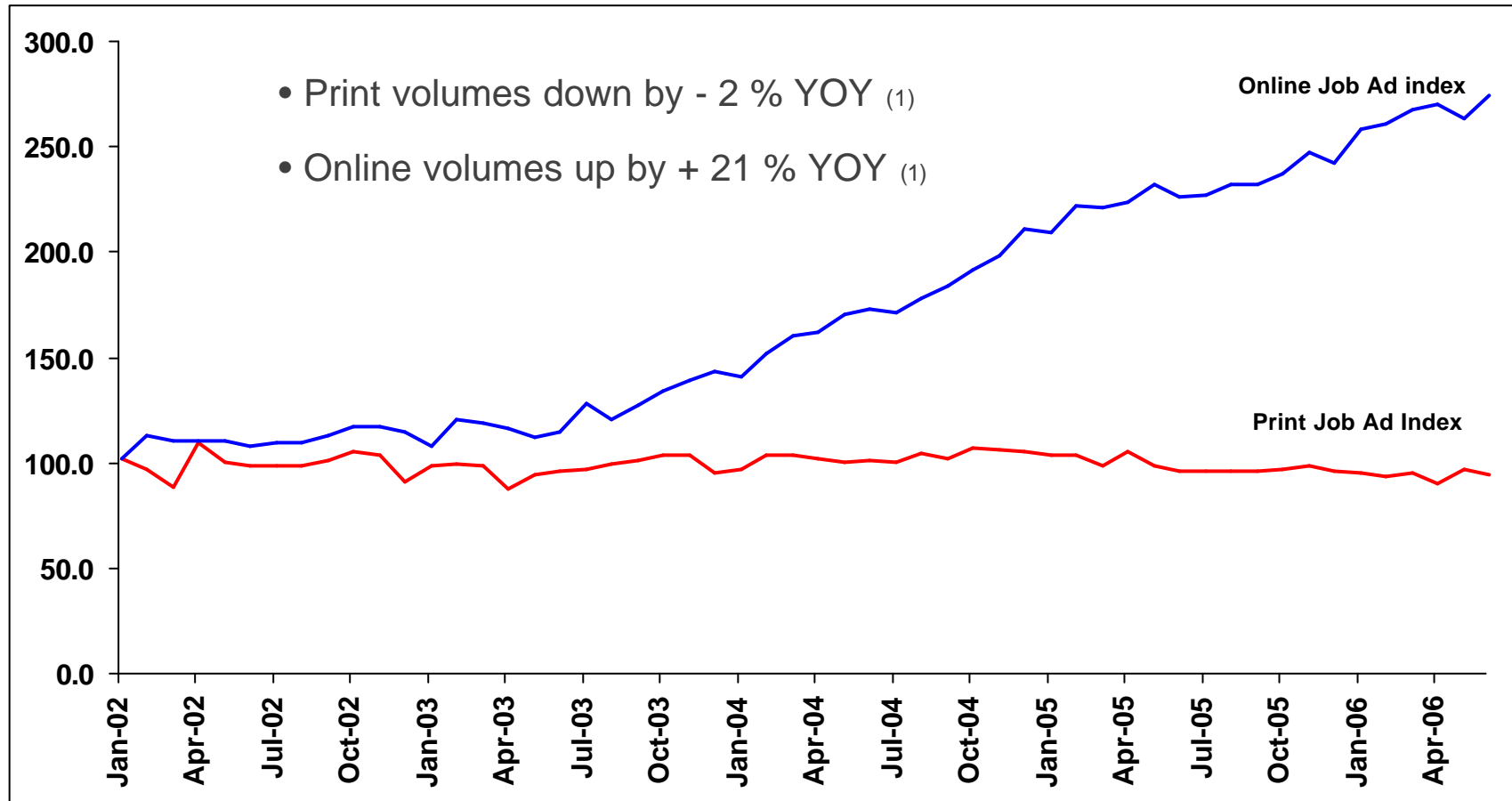
# Growth moving forward ...



# Structural shift of Early Stage Markets.....

- Total value of print market in Government, Healthcare, Education and Executive is approximately \$320m
  - Average YOY ad volume across Early Stage Markets up 107.2%
  - Healthcare: - Penetration of Public Healthcare networks and Private Health company's driving strong volume growth
  - Education: - 20 out of 37 universities now contracted with SEEK
  - Government: - Development of concurrent relationships with government departments and master media agencies
  - Executive : - Executive sector on SEEK site now has over 3,000 ads
  - WA & SA : - Opportunity & growth remain strong
  - SME : - Currently low penetration online - migration to continue to be strong

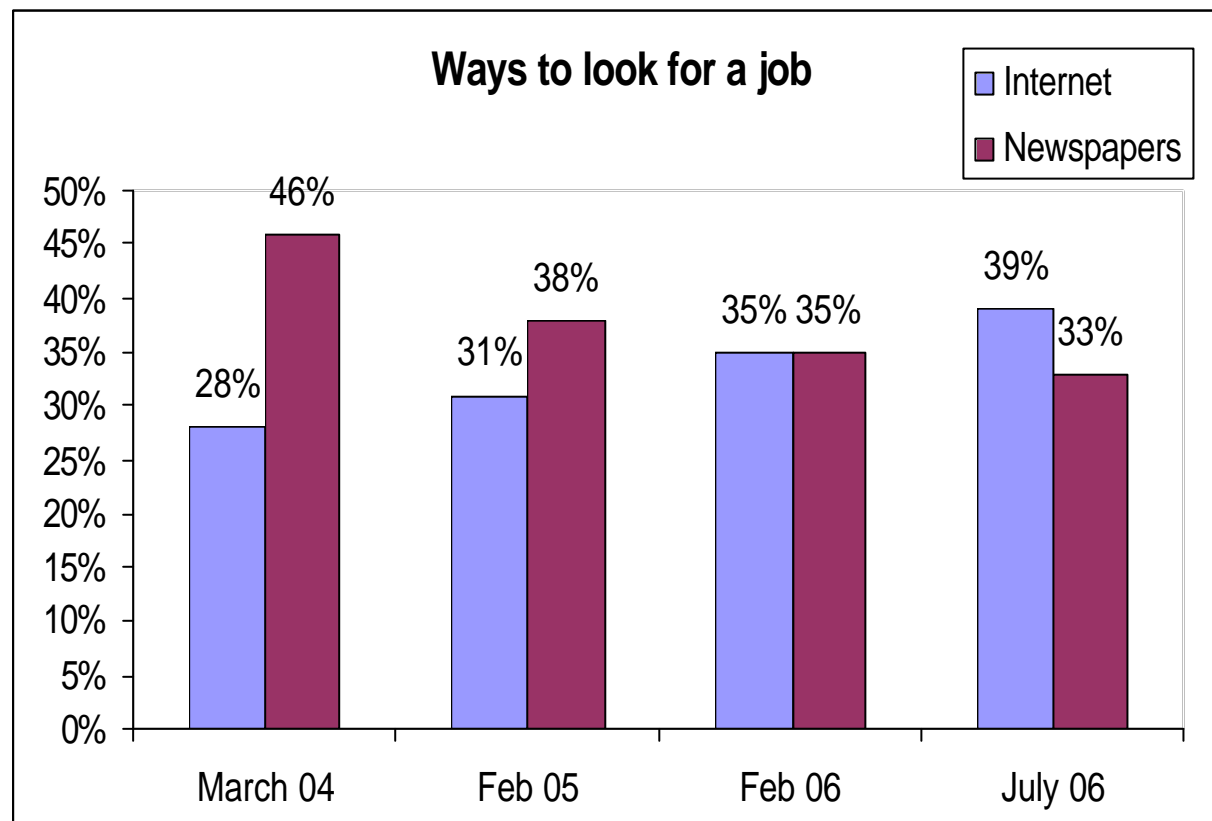
# .... resulting in structural migration of job ads continuing over 2006 .....



**Online v Print Metro: Jan 02 – Jun 06**  
(Seasonally Adjusted; Jan 02 = 100)

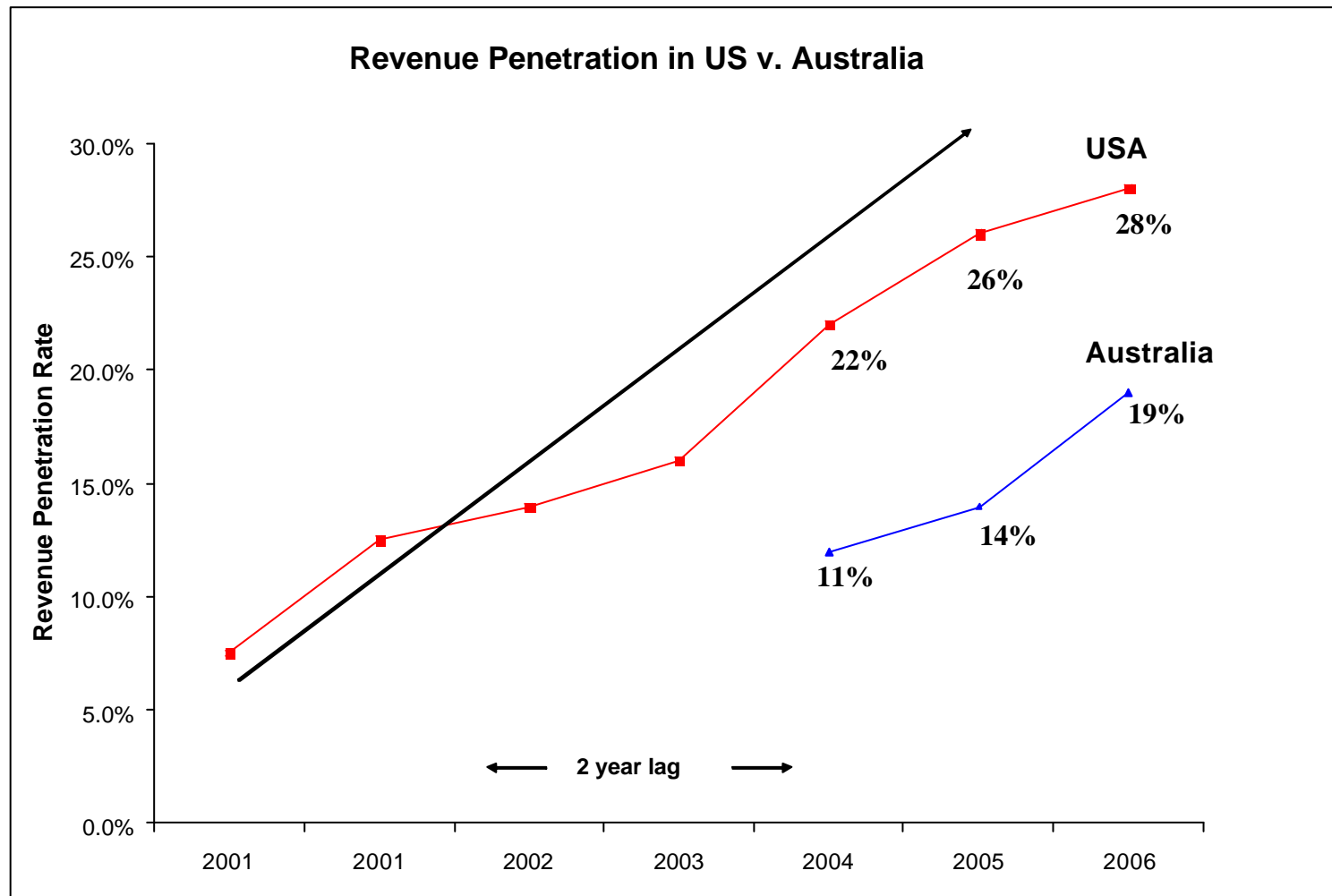
Source: ANZ Job Advertisements Series  
June 02 to June 06  
<sup>(1)</sup> ABN Amro Media Report 27 June 2006

.... the Internet now leads newspapers as the number one way to search for a job .....



Q. If you were looking for a job and could use only one way to find a job, in what way would you choose to look for a job?

...but Online revenue as % of total employment market still very low .....



# SEEK Learning continues to grow.....

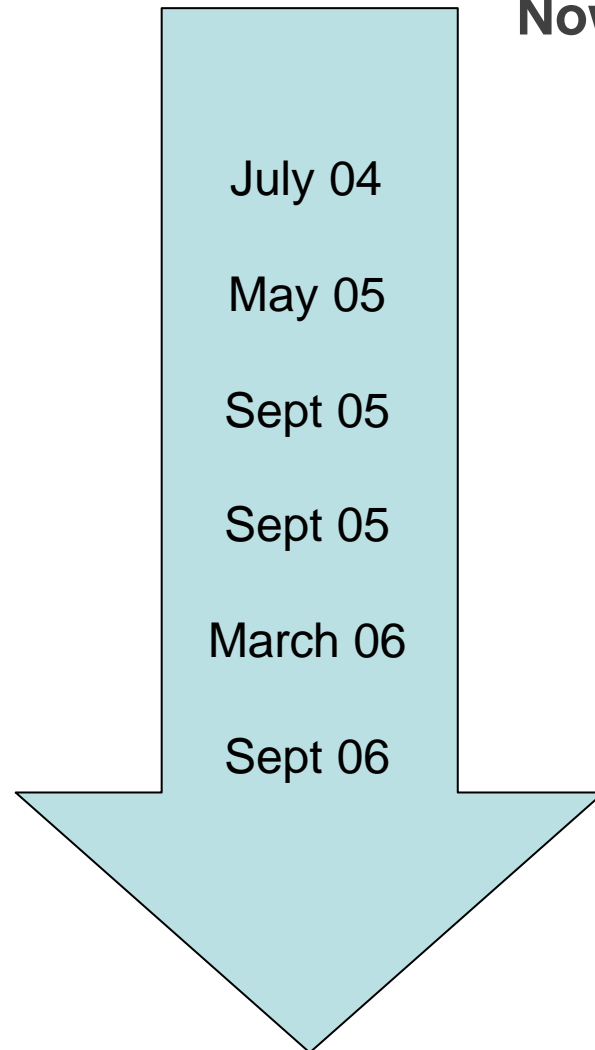


- **Strategy** : create a marketplace that matches consumers with education and training that meets their needs
- **SEEK Learning growth** :
  - Partnerships & Acquisitions
  - Product extension
  - Leverage existing sales / marketing & distribution capabilities :
    - Increased sales force
    - Improved qualified leads generating higher conversion rates
- Unique Browsers gaining momentum up 144 %
- Continued to strengthen management team and organisational capabilities
- FY06 delivered strong growth in revenue (up 82%) and profitability (up 113%)



# SEEK Learning product offering expands .....

## Now six revenue streams for Learning business :



- SELFCERT : IT courses online
- OUA : Open Universities Australia partnership continues to exceed expectations
- DWT : classroom based short courses
- TESOL : English language courses
- OTEN : distance education arm of TAFE NSW
- FINSIA : New agreement in Financial Services sector

# IDP Education Australia acquisition ....

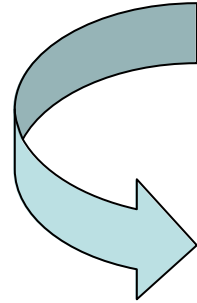


- **Who is IDP Education Australia ?**
  - Established 1969 and owned by 38 Australian universities
  - Global company with representation in 52 countries
  - Two major revenue streams :
    - Sourcing & placing international students in Australian educational institutions
    - Distribution of English language testing through relationship with IELTS
- **Financials**
  - Agreed to acquire 50% stake in IDP for \$36m
  - EBITDA of approximately \$10m for entire business CY06
  - EPS accretive
- **Strategy & Opportunity**
  - Commercialisation of a Not for Profit organisation
  - Growing Student Education export market
  - Increase market share for Australian bound students
  - Expand the IDP & IELTS product suite
  - Complementary with SEEK Learning
  - Embedded relationships with University and education sector

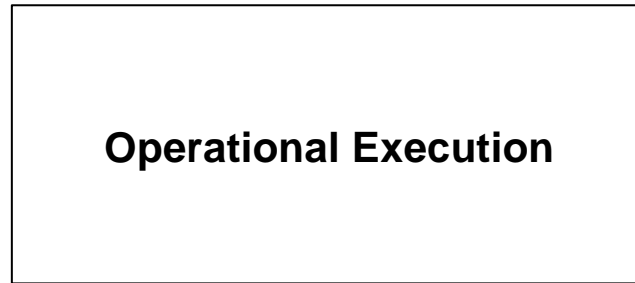
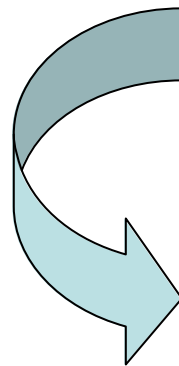
# Conclusion .....



**Consistency**



**Focus**



**Results**

