SEEK Limited

Appendix 4E and Statutory Accounts

For the year ended 30 June 2013

ABN 46 080 075 314

Lodged with the ASX under Listing Rule 4.2A

Corporate Directory

Directors
Neil G Chatfield
Chairman

Andrew R Bassat
Managing Director and Chief Executive Officer

Colin B Carter
Denise I Bradley
Graham B Goldsmith

Secretary
Moana Weir

Principal registered office in Australia
Level 6
541 St Kilda Road
MELBOURNE VIC 3004
AUSTRALIA
Ph: +61 3 8517 4100

Share register
Computershare Investor Services Pty Ltd
452 Johnston Street
ABBOTSFORD VIC 3067
Ph: +61 3 9415 4000

Auditor
PricewaterhouseCoopers
Freshwater Place
2 Southbank Boulevard
SOUTHBANK VIC 3006

Stock exchange listing
SEEK Limited shares are listed on the Australian Stock Exchange (Listing code: SEK)

Website
www.seek.com.au

SEEK Limited
ABN 46 080 075 314
Year ended 30 June 2013
(Previous corresponding period: Year ended 30 June 2012)

Results for Announcement to the Market

				$'000
Operating revenue	Up	40%	To	**620,202**
Revenue from ordinary activities	Up	41%	To	**626,619**
Profit from ordinary activities after tax	Up	128%	To	**313,676**
Net profit after tax attributable to the members of SEEK Limited	Up	128%	To	**300,079**

Dividends/distributions	Amount per security	Franked amount per security
2012 final dividend paid	9.0 cents	9.0 cents
2013 interim dividend paid	10.0 cents	10.0 cents
2013 final dividend (declared after balance date)	**12.0 cents**	**12.0 cents**

Record date for determining entitlements to the dividend 18 September 2013

Dividend payable 16 October 2013

Other information required by Listing Rule 4.2A

Other information requiring disclosure to comply with Listing Rule 4.3A is contained in the 30 June 2013 Annual Report.

SEEK Limited
ABN 46 080 075 314
Financial Report for 30 June 2013

Contents

This Financial Report covers SEEK Limited as a consolidated entity consisting of SEEK Limited and its controlled entities. The financial report is presented in the Australian currency. The Financial Report was authorised for issue by the directors on 21 August 2013. The Company has the power to amend and reissue the Financial Report.

SEEK Limited is a company limited by shares, incorporated and domiciled in Australia. Its registered principal place of business is:

Level 6
541 St Kilda Road
MELBOURNE VIC 3004

A description of the nature of the consolidated entity's operations and its principal activities is included in the review of operations and activities in the Directors Report on pages 3 to 35, which are not part of this Financial Report.

Through the use of the internet, we have ensured that our corporate reporting is timely, complete and available globally at minimum cost to the Company. All press releases, financial reports and other information are available at our Investor Relations page on our website at www.seek.com.au.

Directors' Report

Your directors present their report on the consolidated entity (referred to hereafter as the Group), consisting of SEEK Limited and the entities it controlled at the end of, or during, the year ended 30 June 2013.

Directors

The following persons were directors of the company during the financial year and up to the date of this report:

N G Chatfield	Chairman (effective 30 November 2012), non-executive director
R C G Watson	Chairman, non-executive director (resigned 30 November 2012)
A R Bassat	Managing Director and Chief Executive Officer (CEO)
C B Carter	Non-executive director
D I Bradley	Non-executive director
G B Goldsmith	Non-executive director (appointed 29 October 2012)

Principal activities

During the year the principal continuing activities of the Group consisted of:

- Advertising employment classifieds and related services on the internet; and
- Provision and distribution of vocational training and higher education courses.

Dividends

Dividends paid to shareholders during the financial year were as follows:

	Payment date	Amount per share	Franked amount per share	Total dividend $'000
Year 2012				
2011 final dividend	12 October 2011	7.5 cents	7.5 cents	$25,277
2012 interim dividend	18 April 2012	8.3 cents	8.3 cents	$27,980
				$53,257
Year 2013				
2012 final dividend	**16 October 2012**	**9.0 cents**	**9.0 cents**	**$30,339**
2013 interim dividend	**17 April 2013**	**10.0 cents**	**10.0 cents**	**$33,783**
				$64,122

Dividends paid or declared by the Company after year end (to be paid out of retained profits at 30 June 2013):

2013 final dividend	**16 October 2013**	**12.0 cents**	**12.0 cents**	**$40,540**

The total dividend for the year is 22.0 cents (2012: 17.3 cents).

Directors' Report

Review of operations

A summary of consolidated revenues and results is set out below:

	Notes	2013 $'000	2012 $'000
Operating revenue	5	**620,202**	442,254
Interest revenue	5	**6,417**	2,976
Revenue from continuing operations	5	**626,619**	445,230
Segment EBITDA[1]	4	**239,618**	193,625
Depreciation	13	**(10,978)**	(8,805)
Amortisation	14	**(19,937)**	(11,645)
Amortisation of share-based payments and other long-term incentive schemes	7	**(9,696)**	(4,130)
Interest expense	7	**(24,230)**	(23,650)
Interest income	5	**6,417**	2,976
Fair value gain on step acquisitions	29	**160,910**	28,224
Other non-operating gains	6	**-**	1,130
Impairment loss	14	**(1,320)**	(24,115)
Share of net profits of associates and jointly controlled entity accounted for using the equity method	11(b)	**27,081**	30,871
Profit from continuing operations before income tax		**367,865**	184,481
Income tax expense	8(a)	**(54,189)**	(47,023)
Profit for the year		**313,676**	137,458
Non-controlling interests	20(c)	**(13,597)**	(5,778)
Profit for the year attributable to owners of SEEK Limited	20(b)	**300,079**	131,680

1. Segment EBITDA is earnings before interest, tax, depreciation and amortisation and excluding share of net profits from associates and jointly controlled entity accounted for using the equity method, fair value gains/(losses) on acquisition, impairment losses, amortisation of share based payments and other long-term incentive schemes and other non-operating gains/(losses).

SEEK achieved a record full year result with strong growth across revenue (up 41%), EBITDA (up 24%) and profit attributable to SEEK Limited (up 128%).

At revenue and EBITDA level, the strong result was driven by organic growth in Education, the full year consolidation of Brasil Online and OCC, and the impact of Zhaopin's consolidation from 19 February 2013.

Profit attributable to the owners of SEEK Limited was $300,079,000 (2012: $131,680,000). FY2013 was impacted by the fair value gain relating to the Zhaopin acquisition of $160,300,000, including transaction costs and associated tax and the impairment of DWT's goodwill ($1,320,000). FY2012 was impacted by fair value gains relating to the acquisition of Brasil Online and OCC ($25,055,000 after tax) and impairment of THINK's goodwill and indefinite life intangibles ($23,600,000 after tax).

Adjusted for these items profit attributable to the owners of SEEK Limited would have been $141,099,000 (2012: $130,225,000).

Further information on results by segment is provided on the following pages.

Review of operations continued

SEEK Domestic Employment

	2013	2012	Growth	
	$'000	$'000	$'000	%
Operating revenue	**234,857**	247,769	(12,912)	(5%)
Segment EBITDA	**141,594**	152,146	(10,552)	(7%)
EBITDA (%)	***60%***	*61%*		

SEEK Domestic achieved a solid result in subdued macro economic conditions with revenue down 5% and EBITDA down 7% from the prior corresponding period. The revenue decline of 5% was attributable to a decline in job ad volumes of 13%, stemming from the weak economic cycle, offset by a yield benefit of 8%. SEEK was able to maintain EBITDA margins of 60%. This EBITDA result balanced re-investment to support SEEK's placement strategy as well as effective cost management.

Key highlights:

- Pleasing results from recent product initiatives
- Average price increase of 5.5% for FY2014 (FY2013: 5%)
- Mobile performing well and accounting for 36% of total visits in Australia
- Candidate profiles grew by 92% (June 2013 vs June 2012)

SEEK Education

SEEK's Education segment includes SEEK Learning, THINK and share of profits/(losses) from IDP (50%) and Swinburne Online (50%).

	2013	2012	Growth	
	$'000	$'000	$'000	%
Operating revenue	**160,619**	132,386	28,233	21%
SEEK Learning	**61,271**	49,478	11,793	24%
THINK	**103,241**	86,913	16,328	19%
Inter-segment revenue	**(3,893)**	(4,005)	112	3%
Segment EBITDA	**39,959**	20,544	19,415	95%
SEEK Learning	**24,787**	15,261	9,526	62%
THINK	**15,172**	5,283	9,889	187%
EBITDA (%)	***25%***	*16%*		
SEEK Learning	***40%***	*31%*		
THINK	***15%***	*6%*		
Share of net profits/(losses) of associates and jointly controlled entity				
IDP	**10,597**	8,161	2,436	30%
Swinburne Online	**1,219**	(2,028)	3,247	n/a
Share of net profit of Education associates and jointly controlled entity	**11,816**	6,133	5,683	93%

SEEK Education achieved a full year result with EBITDA of $39,959,000 (2012: $20,544,000), representing growth of 95% on the prior comparative period. The result was underpinned by strong results across all Education businesses.

SEEK Education's share of net profits from equity accounted investments was $11,816,000 (2012: $6,133,000), up 93% on the prior comparative period, due to a solid result from IDP and excellent result from Swinburne Online with performance exceeding expectations.

SEEK's Education portfolio provided a degree of counter cyclical protection from the weak macro economic environment which impacted job ad volumes and revenue in SEEK Domestic.

Key highlights:

- **SEEK Learning** achieved a record full year result with revenue growth of 24% and EBITDA growth of 62% on the prior comparative period. The result was underpinned by strong yield growth driven by a focus on higher value courses coupled with sales and marketing efficiencies, leading to margin expansion to 40% (2012: 31%). SEEK Learning continues to expand its product and service offerings with 31 new courses added during the year, in addition to securing new partnerships with Deakin University and the Australian Institute of Food Safety.

Review of operations continued

- **THINK** continued its growth trajectory during 2013, achieving an EBITDA result of $15,172,000 (2012: $5,283,000), more than double the prior comparative period. Key drivers of the result include strong growth in online revenue, with 15% growth in online students. Combined with cost control, this drove margin improvements to 15% (2012: 6%).
- **IDP** achieved a solid result , with EBITDA growth of 34% on the prior comparative period reflecting strong operating leverage. The result was underpinned by a 15% increase in student placement revenue (primarily students looking to study in Australia), coupled with a 6% increase in IELTS tests administered. IDP continues to pay dividends and is well capitalised with a cash balance of $49,400,000 (2012: $33,400,000), after paying total dividends of $22,000,000 (2012: $12,000,000) in the last 12 months, SEEK's share being $11,000,000 (2012: $6,000,000).
- **Swinburne Online** achieved revenue of $23,344,000 (2012: $2,175,000), EBITDA of $5.1m (2012: loss of $3,200,000) on EBITDA margins of 22% (2012: -68%). SEEK's share of NPAT was a pleasing $1,219,000 (2012: loss $2,028,000). The financial result was achieved due to healthy growth in student enrolments and solid retention and pass rates in its first full year of operation.

SEEK International

SEEK International owns interests in leading online employment marketplaces that are exposed to favourable structural and macro trends. SEEK's International segment includes controlling interests in Zhaopin (consolidated from 19 February 2013), JobsDB, Brasil Online, and OCC, and equity interests in JobStreet and One Africa Media ("International associates"), together with other operating costs associated with managing this segment.

	2013	2012	Growth	
	$'000	$'000	$'000	%
Operating revenue	**224,726**	62,099	162,627	262%
JobsDB	**51,308**	52,926	(1,618)	(3%)
Brasil Online	**109,774**	8,818	100,956	1145%
OCC	**13,752**	355	13,397	3774%
Zhaopin	**49,892**	-	49,892	n/a
Segment EBITDA	**58,065**	20,935	37,130	177%
JobsDB	**17,589**	20,752	(3,163)	(15%)
Brasil Online	**30,219**	2,982	27,237	913%
OCC	**3,025**	112	2,913	2601%
Zhaopin	**12,915**	-	12,915	n/a
Other operating costs	**(5,683)**	(2,911)	(2,772)	95%
EBITDA (%)	***26%***	*34%*		
JobsDB	***34%***	*39%*		
Brasil Online	***28%***	*34%*		
OCC	***22%***	*32%*		
Zhaopin	***26%***	*n/a*		

SEEK International's contribution to the SEEK Group saw revenue grow by 262% and EBITDA by 177% in FY2013, driven by the consolidation of Zhaopin (from 19 February 2013) and the full year consolidation of Brasil Online and OCC.

We are pleased with the overall performance of SEEK International, in a period of significant re-investment and in a period where economic conditions have been weak.

The results of each business are discussed below.

Key highlights:

- **Zhaopin** was focused on growing market share during FY2013, delivering strong growth in new employers and job ads posted in tier 2/3 cities. Despite the moderation of China's GDP in 2013, in local currency (100% basis) Zhaopin achieved revenue growth of 8%, which coupled with productivity gains in Sales and focussed investment across Marketing and IT resulted in EBITDA growth of 19%. SEEK consolidated Zhaopin from 19 February 2013, recognising $49,892,000 (2012: $nil) of revenue and $12,915,000 (2012: $nil) of EBITDA.
- For **JobsDB** FY2013 was a period of significant re-investment and operational change, including the phase out of offline revenue activities and the investment in people and marketing. These changes resulted in a 3% ($1,618,000) decline in JobsDB's revenue and 15% ($3,163,000) decline in EBITDA. However, JobsDB is now well positioned for growth with forward indicators such as unearned income growth (up 17% on June 2012) a better indicator of underlying and future financial performance.

Directors' Report

Review of operations continued

- **OCC** achieved EBITDA of $3,025,000 (2012: $112,000) in its first full year of financial consolidation. OCC is the clear market leader in Mexico and has made significant progress in its pricing model transition. The transition of the pricing model has achieved further penetration of the large SME market and improved jobseeker experience (less duplicated ads). In FY2013, OCC generated strong cash flow and unearned income which are the best indicators of underlying and future financial performance.
- **Brasil Online** achieved strong EBITDA of $30,219,000 (2012: $2,982,000) driven by organic growth and the impact of first full year of financial consolidation. Revenue growth for Brasil Online was achieved by growth in invoiced users (benefited by brand refresh and new website) and yield increase. In local currency (100% basis) Brasil Online grew EBITDA by 46% and the scalability of the business was reflected with EBITDA margins increasing to 27% in 2013 from 22% in 2012. Brasil Online is implementing an exciting product road map to serve both jobseekers and employers.

Share of net profits of International associates

	2013	2012	Growth	
	$'000	$'000	$'000	%
Zhaopin(1)	**11,257**	16,490	(5,233)	(32%)
JobStreet	**4,008**	2,773	1,235	45%
OAM(3)	**-**	-	n/a	n/a
Brasil Online(2)	**-**	4,654	(4,654)	n/a
OCC(2)	**-**	821	(821)	n/a
Share of net profits of International associates	**15,265**	24,738	(9,473)	(38%)

1. Result included as Zhaopin was equity accounted to 18 February 2013.
2. Comparative results are included as Brasil Online & OCC were accounted for as associates until 31 May 2012 and 19 June 2012 respectively.
3. OAM was acquired as an associate on 20 June 2013.

Profits from SEEK's share of International associates was $15,265,000 (2012: $24,738,000). The decline on FY2012 is a result of fully consolidating the results of Zhaopin from 19 February 2013 and the full year consolidation of Brasil Online and OCC.

Key highlights:

- **JobStreet** has achieved solid results during FY2013, contributing $4,008,000 (2012: $2,773,000) to SEEK's FY2013 results and dividends of $2,591,000 (2012: $1,544,000)

Analysis of key items below EBITDA

	2013	2012	Movement	
Expenses	$'000	$'000	$'000	%
Interest expense	**24,230**	23,650	580	2%
Interest income	**(6,417)**	(2,976)	(3,441)	116%
Depreciation	**10,978**	8,805	2,173	25%
Amortisation	**19,937**	11,645	8,292	71%
Amortisation of share-based payments and other long-term incentive schemes	**9,696**	4,130	5,566	135%
Fair value gain on step acquisitions	**(160,910)**	(28,224)	(132,686)	470%
Other non-operating gain	**-**	(1,130)	1,130	n/a
Impairment loss	**1,320**	24,115	(22,795)	(95%)
	(101,166)	40,015	(141,181)	(353%)

Key highlights:

- Net interest expense of $17,813,000 (2012: $20,647,000) is lower than the prior comparative period driven by higher interest income due to the consolidation of Brasil Online and OCC into the Group results for a full 12 months. Interest expense remained broadly comparable with the prior comparative period with an increase in borrowings offset by lower base rates and margins.
- The current year result includes a fair value gain of $160,910,000 relating to the valuation uplift on acquisition of Zhaopin and impairment write-down of A$1,320,000 on DWT goodwill. FY2012 was impacted by the fair value gains relating to the acquisition of Brasil Online and OCC of $28,224,000 and the THINK impairment of $24,115,000.
- The higher costs of depreciation, amortisation and amortisation of share based payments and other long-term incentive schemes are due largely to the consolidation of Brasil Online, OCC and Zhaopin into the Group results. These businesses were equity accounted for the majority of the prior comparative period.

Financial position

SEEK is a member of the S&P/ASX 100 with a market capitalisation of around $3.1 billion and 337.8 million shares on issue at 30 June 2013.

At 30 June 2013 SEEK had net assets of $1,296,574,000, comprising:

- Total assets of $2,204,020,000 of which 74% related to long-life intangible assets (goodwill, brands and licences) arising from business combinations, and the remainder relating primarily to cash, equity accounted investments, trade and other receivables; and
- Total liabilities of $907,446,000 of which 54% related to borrowings, with the remainder relating mainly to unearned income, tax, trade and other payables.

SEEK's total assets and total liabilities increased by 57% and 44% respectively from 30 June 2012 to 30 June 2013, primarily as a result:

- The acquisition of a controlling stake in Zhaopin which resulted in the recognition of significant intangible assets, cash balances, borrowings and other liabilities (including deferred income);
- Additional borrowings associated with the acquisition of an additional interest in JobsDB and the acquisition of a minority stake in One Africa Media;
- A weakening of the Australian Dollar, which has resulted in increased Australian Dollar conversion of foreign currency assets and liabilities of SEEK's overseas assets

SEEK's borrowings now comprise a combination of facilities across SEEK Limited, Zhaopin and SEEK Asia Ltd: SEEK Limited's unsecured syndicated facility of A$350,000,000 and US$100,000,000 (increased from the $340,000,000 facility held as at 30 June 2012); US$68,000,000 of entrusted loan facilities held by Zhaopin; and a HK$200,000,000 loan facility entered by SEEK Asia in the year. At 30 June 2013, $491,992,000 of the total available facilities were drawn down, with $70,000,000 available in undrawn capacity. SEEK's controlled entities had $184,802,000 of cash and cash equivalents at 30 June 2013 (2012: $92,703,000)

Details relating to the refinancing of SEEK's unsecured syndicated facility and its investments in Zhaopin, JobsDB, One Africa Media are discussed in further detail below in the "Significant changes in the state of affairs".

At 30 June 2013 the Group's current liabilities exceed its current assets by $35,980,000. This financial report has been prepared on a going concern basis as the Group has sufficient committed facilities in place so that the business can meet its liabilities as they fall due for twelve months from 21 August 2013. Currently the Group has undrawn facilities of $70,000,000. For further details please refer to note 2.

Business strategies and prospects

SEEK Domestic

SEEK Domestic's market leadership makes it the primary beneficiary of any improvement from the current subdued labour market conditions and the structural migration of revenue from print to online.

SEEK Domestic is currently investing heavily in its placement strategy, refining and rolling out new products and services that will allow it to better capture a greater share of placements and associated revenue in Australia and New Zealand.

SEEK Education

Significant market opportunities exist for SEEK's Education portfolio across working adults in Australia, international students and the domestic for-profit sector.

SEEK will also continue to focus on growing the synergies that exist via SEEK and/or SEEK Learning.

Business strategies and prospects continued

SEEK International

SEEK International provides the Group with exposure to rapidly expanding growth markets in Asia, Latin America & Africa. Much like SEEK Domestic, these businesses are impacted to some extent by cyclicality in their local economies and the favourable structural migration of print to online. Some of these businesses may require a degree of short-term reinvestment to best position them for future growth.

SEEK will continue to leverage its domestic experience and work with local management teams to create market leading online employment marketplaces, endeavouring to capture the large macro opportunities in each respective market by adopting something similar to the domestic placement strategy.

Significant changes in the state of affairs

Business combination – Zhaopin Limited ('Zhaopin')

During February 2013, the Group acquired an additional 22.9% interest in Zhaopin, the owner of a leading online employment marketplace in China, for US$133,358,000 (A$129,029,000 at the exchange rate on the date of the transactions). The acquisition was funded through entrusted loan facilities established by Zhaopin (totalling US$68,000,000), with the balance through SEEK's existing cash and debt facilities, including a drawdown on the USD tranche of the syndicated facility.

This transaction was a continuation of SEEK's strategy to increase its exposure to leading international businesses.

Zhaopin is considered a subsidiary of SEEK and has been consolidated into the Group from 19 February 2013. Refer to note 29(a) in the Financial Report for further information in relation to these transactions.

Laureate Education, Inc. acquisition of a minority stake in THINK

On 31 August 2012 Laureate Education, Inc. acquired a 20% interest in THINK, based on an implied 100% Enterprise Valuation of $75,000,000. As part of this transaction SEEK and Laureate have entered into shareholder arrangements which include Laureate having voting rights and representation on the THINK board in proportion to its equity stake. The Shareholder Agreements provide Laureate with minority shareholder protections in regards to corporate governance and agreed processes for potential future equity transactions.

Syndicated debt facility

On 19 September 2012 the Group refinanced its debt facility with increased limits comprising A$350,000,000 and US$100,000,000. As per the previous loan facility, the structure is a revolving, unsecured syndicated senior debt facility. Overall margins and debt covenants remain broadly consistent with the previous facility. For further details refer to note 16.

Changes to the composition of the SEEK Board

On 29 October 2012, Bob Watson announced his intention to resign from the SEEK Board at the conclusion of the Annual General Meeting after 13 years with SEEK, which was effective 30 November 2012. Neil Chatfield succeeded Bob as Chairman of the Board from this date.

Graham Goldsmith was appointed to the Board of Directors on 29 October 2012. With Neil's appointment as Chairman of the Board, Graham succeeded Neil as Chairman of the Audit and Risk Management Committee from 30 November 2012.

SEEK Asia acquisition of remaining stake in JobsDB

On 20 December 2012 the vendor of JobsDB exercised its right to sell the remaining 20% of the business to SEEK Asia. The final value, under the terms of the original shareholders agreement, was determined at HK$640,000,000. The transaction was settled on 20 March 2013, funded partially by a HK$250,000,000 loan facility in SEEK Asia with the remaining funded by SEEK and the co-investors in SEEK Asia in accordance with their respective ownership percentage. For further details refer to notes 16 and 17.

Acquisition of a minority stake in One Africa Media ('OAM')

On 20 June 2013, SEEK acquired an interest in One Africa Media for US$20,000,000. OAM owns, operates and invests in a portfolio of leading online marketplaces across jobs, cars, real estate and travel. The company presents SEEK a strategic opportunity to benefit from the significant long-term growth opportunities for online classifieds businesses and is headquartered in South Africa. OAM is accounted for as an associate. For further details refer to note 11.

Significant changes in the state of affairs continued

Change in key management personnel

Helen Souness resigned as SEEK Marketing Director, effective 1 November 2012.

David Gibbons resigned as Chief Information Officer (CIO) effective 8 August 2013.

For further information refer to the Remuneration Report.

Matters subsequent to the end of the financial year

On 24 July 2013 SEEK's CEO, Andrew Bassat, announced some internal changes taking place across the business.

Group Strategy Director Michael Ilczynski will step into the newly created role of MD, Product Development and Strategy, which includes Product, Online Delivery, Technology and Strategy. Bringing these areas together continues SEEK's evolution of its product development capabilities and creates a single point of accountability for the company's product delivery.

In further changes, SEEK Learning will come together with the SEEK Employment business to be headed up by the MD, SEEK Employment & Learning (Aus & NZ), Joe Powell. This change reinforces the close strategic fit between these two businesses. IT Operations and Applications will remain in this group, headed by a newly created IT Director position.

Peter Everingham will continue as MD, Education across the other significant businesses within the Education portfolio being THINK, IDP and Swinburne Online and will commence work on strategic projects across the Group.

Likely developments and expected results of operations

At the date of this report there are no likely developments in the operations of the consolidated entity constituted by the SEEK Group which would materially impact the results of the Group.

The following are key opportunities that may benefit SEEK's financial and operating result in future periods:

- Higher job ad volumes across SEEK's assets resulting in significantly stronger cash flows across the Group , as a result of:
    - An acceleration of the structural migration from print to online
    - A significant turnaround in the macroeconomic cycle
    - An acceleration in urbanisation or internet penetration in SEEK's international markets
- An increase in SEEK's share of placements as a result of the successful implementation of the Group's Placement Strategy
- Development of highly successful products and services that can be rolled out across the Group at little incremental cost
- Further weakening of the AUD
- Realisation of benefits associated with financing arrangements, including sourcing new financing and the refinancing of existing borrowings
- Changes to regulations which result in increased students choosing to study in Australia

The following are key risks that may impact SEEK's financial and operating result in future periods:

- A prolonged decline in job ad volumes, as a result of a downturn in the employment markets in which the Group operates
- A prolonged interruption to SEEK's IT operations as a result of a natural disaster or other unforeseen event
- Events such as regulatory non-compliance, loss of customer data and unethical employee behaviour, could damage the reputation of SEEK or its investments and may have an adverse impact on the Group's brands
- New competitors entering the market and/or existing competitors increasing their market share may lead to downward pressure on prices and margins.
- New technology could emerge for employment advertising which could impact the growth in popularity of the internet as a medium for employment advertising
- The implementation of changes to pricing or product structure that are not well received by customers resulting in lost job ad volumes
- Breach of intellectual property rights: the unauthorised use or copying of SEEK software, data or branding could occur which could lead to legal and/or reputational risk.
- Failure to protect data privacy and security could lead to significant legal action, damage to SEEK's reputation and potential loss of significant customers.
- The loss of a number of key personnel may adversely affect the financial performance, innovative nature or growth prospects of SEEK

Sustainability

SEEK is focused on continually enhancing its organisational culture and values, through its investment in the wellbeing and professional development of SEEK employees and promotion of a wide range of employee engagement and diversity initiatives.

SEEK's values of Honesty, Ownership, Teamwork, Passion and Action support its culture of ethical corporate conduct. This is evident in SEEK's firm stance on Group governance issues such as anti-bribery. SEEK contributes to the wider community through its commitment to SEEK Volunteer, and by providing opportunities to employees to volunteer and/or donate to charitable organisations. The Company is also committed to reducing its carbon footprint, which has been achieved through the implementation of a number of environmental sustainability programs.

People

Employee engagement

SEEK's people are its greatest asset. SEEK aims to attract and retain employees with the right expertise and fit with SEEK's values and culture. In return, SEEK strives to create a work environment which is challenging, rewarding and inclusive, which encourages diversity and provides employees with opportunities to develop their professional skills and leadership potential.

SEEK measures employee engagement on a bi-annual basis using an "Insight" survey conducted by an external organisation covering areas such as employee development, factors contributing to employee motivation and satisfaction, values and corporate responsibility. SEEK Management reviews the results of Insight surveys to assist in determining the focus for employee engagement initiatives for the following period. As a measure of SEEK's success in this area, SEEK is pleased to have been recognised as a Best Employer in the annual Aon Hewitt accreditation program in seven of the eight years in which it has participated in the study, most recently being in 2012.

SEEK runs innovative talent development programs, as well as extensive professional development opportunities through both internal and external programs, mentoring and coaching.

Diversity

SEEK has in place a range of initiatives which support diversity in its workforce and an inclusive culture.

SEEK's programs promoting cultural awareness and an understanding of issues facing indigenous Australians include:

- Hosting events at the SEEK Melbourne head office for SEEK staff which have included presentations from Australian journalist Martin Flanagan and author Anita Heiss, and the Iconic Song Show, in which singer-songwriters Archie Roach, Shane Howard and Neil Murray shared their music and personal stories with SEEK staff.
- In April 2013 SEEK ran a Welcome to Country Program, in which 12 SEEK employees were hosted by an indigenous community in South West Victoria for 2 days.

Further details of SEEK's other innovative programs in this area can be found in the Corporate Governance Statement, Diversity section on page 40.

Achievement of measurable diversity objectives are linked to the KPIs for the Group Human Resources Director. In addition, SEEK has in place policies which support its values and culture, including a Diversity Policy and a Discrimination, Harassment, and Equal Employment Opportunity policy.

Workplace health and safety

SEEK is committed to providing a safe and healthy work environment for its people. SEEK employees take responsibility for their own and others' health and safety by complying with all health and safety instructions and policies.

In addition, SEEK promotes the health and wellbeing of its employees by offering a variety of group and individual sporting activities for staff, discount gym memberships, personal training services, healthy snack options and regular communications promoting wellbeing in the workplace.

Community

SEEK Volunteer

SEEK Volunteer has operated for the past 13 years, and is run in partnership with Volunteering Australia, the national peak body for volunteering. SEEK Volunteer aims to match volunteers with volunteering opportunities suited to their skills and requirements. SEEK's Volunteer Vision is 'Contributing positively to the communities we serve'.

In August 2012 SEEK re-launched the SEEK Volunteer website which was supported by a major campaign to raise awareness of the site to prospective volunteers with significant pro bono support from media companies across Australia.

Since that time, SEEK Volunteer has received widespread acclaim throughout Australia. The SEEK "Volunteer for Volunteer" marketing campaign which accompanied the new site launch has won a number of prestigious awards both nationally and internationally including:

- Grande Prix for Humanity Award (Adfest)
- Best Cause or Charity Related Promotional Campaign (APMA)

Key highlights for SEEK Volunteer during financial year 2013 include:

- Page views for SEEK Volunteer are now in excess of 1 million per month(1)
- Expressions of interest from potential volunteers through the SEEK Volunteer website have more than doubled from approximately 4,000 per month pre-August 2012, to 10,806 expressions of interest in the month of July 2013(1)

SEEK also encourages employees to contribute directly to the wider community through the internal volunteer program, where employees are provided with one day a year of paid leave to work for a charitable organisation of their choice.

Workplace Giving Program

SEEK recognises its responsibility to make a positive contribution to the communities in which it operates. SEEK's contribution also enhances the SEEK brand and assists in attracting and retaining talent. SEEK's internal Insight surveys have shown that 85% of SEEK employees value the organisation's focus on balancing its social, environmental and financial responsibilities.

SEEK provides its employees with the opportunity to make a difference to those in the community who are in need of assistance. In conjunction with the Australian Charities Fund (ACF), employees at SEEK have selected seven charities to be a part of SEEK's workplace giving program called Bright Futures. SEEK matches employee donations to a capped amount.

SEEK's nominated charities are:

Lifeline

Providing Australians with access to a 24 hour telephone conselling service which is available to anyone, at any time, for the cost of a local call. www.lifeline.org.au

Australian Wildlife Conservancy

Dedicated to the conservation of Australia's threatened wildlife and ecosystems. www.australianwildlife.org

Alannah and Madeline Foundation

Protecting children from violence and its devastating impact, with the belief that all children should have a safe and happy childhood without being subjected to violence. www.amf.org.au

CanTeen

The national support organisation for young people living with cancer, providing a safe environment where they can learn how to deal with the emotional, physical and practical issues of living with cancer and take back control of their lives. www.canteen.org.au

The Lort Smith Animal Hospital

Providing high quality veterinary care at a reduced cost for the pets of people in need as well as shelter services for injured, surrendered and abandoned pets that have on one to care for them. www.lortsmith.com

1. Source: Omniture Site Analytics July 2013

Cathy Freeman Foundation

Focused on and committed to giving Australian Indigenous children a brighter future through education, with the targeted focus on the educational needs of Palm Island together with its deep involvement in the community. www.cathyfreemanfoundation.org.au

Starlight Children's Foundation

Starlight's mission is to brighten the lives of seriously ill children and their families across Australia, transforming the experience with innovative programs that bring joy, laughter and happiness. www.starlight.org.au

Governance

Ethical Conduct

SEEK's values are integral to its culture, and embed a requirement for honest and ethical conduct by its people.

SEEK is committed to conducting its businesses in a manner consistent with the laws of the countries in which it operates. Conduct associated with bribery and corruption is inconsistent with SEEK's values and culture. SEEK has developed a policy which prohibits its personnel from engaging in activity which constitutes bribery or corruption.

SEEK's Code of Conduct sets out the tenets of ethical and respectful conduct against which all employees are required to comply when dealing with each other, SEEK's suppliers, customers, shareholders and external stakeholders, and the broader community. These include acting honestly, in good faith and in the best interests of the Company, without conflict of interest or improperly taking advantage of position or confidential information, and at all times within the law.

SEEK's Whistleblower Policy protects employees from detrimental action where employees disclose, in good faith and with reasonable grounds, any unethical or improper conduct, financial impropriety or fraud, contravention of legal provisions or evidence of auditing non-disclosure within the organisation.

Corporate Governance policies

SEEK is committed to strong and effective governance frameworks. SEEK's corporate governance policies are described in the Corporate Governance Statement set out in the Directors' Report and are also available for viewing from the corporate governance section of the Investor Centre of the Company website at seek.com.au.

Environment

As an online business, SEEK does not have a material environmental footprint. Nevertheless, SEEK has a commitment to minimising its environmental impact and has a number of sustainability programs which include:

SEEK Green

SEEK Green is an internal program which focuses on minimising SEEK's environmental impact. SEEK Green identifies behaviours, work practices and in-house initiatives associated with carbon reduction, and implements improvements in the areas of energy, waste reduction and recycling, consumables, cleaning and water.

Some initiatives include reducing consumption of paper and energy to reduce carbon consumption, and the introduction of a mobile phone recycling program to reduce landfill. SEEK's Enviro Council also helps the organisation to drive a greener working environment by ensuring the adoption of better environmental practices while achieving its business goals.

Carbon offsets

SEEK's business emits low levels of carbon emissions. Since November 2007, SEEK has collected energy consumption and travel data and engaged an external consultant to calculate its greenhouse gas emissions for its domestic online employment business and SEEK Learning. SEEK continues to offset greenhouse gas emissions associated with electricity and natural gas consumption and business air travel through the purchase of offsets from Origin Energy's Carbon Reduction Scheme.

SEEK is compliant with environmental legislative requirements

As a result of SEEK's low greenhouse gas emissions, energy consumption and waste management program, it is compliant with current environmental legislative requirements as set out in the National Greenhouse and Energy Reporting (NGER) and Energy Efficiency Opportunities (EEO) Acts, as well as waste legislation. Due to SEEK's current level of scope 1 greenhouse emissions, SEEK is not liable under the Clean Energy Act 2011.

Directors' Report

Information on directors

	Neil G Chatfield	Andrew R Bassat	Colin B Carter	Denise I Bradley	Graham B Goldsmith
Position	Independent non-executive director	Chief Executive Officer Co-founder	Independent non-executive director	Independent non-executive director	Independent non-executive director
Age	59	47	70	71	53
Appointed	June 2005	September 1997	March 2005	February 2010	October 2012
Other current directorships	Virgin Australia Holdings Limited (non-executive) since May 2006 and Chairman since June 2007. Transurban Group (non-executive) since February 2009. Grange Resources Limited (non-executive) since January 2009.	None	Wesfarmers Limited (non-executive) since October 2002. Lend Lease Limited (non-executive) since April 2012.	None	Djerriwarrh Investments Ltd (non-executive) since April 2013
Former directorships in last three years	Whitehaven Coal (non-executive) 2007 to 2012	None	None	None	None
Special responsibilities	Chairman of the Board. Member of the Audit and Risk Management Committee. Member of the Remuneration Committee. Member of the Nomination Committee.	Chief Executive Officer Managing Director	Chairman of the Remuneration Committee. Member of the Audit and Risk Management Committee. Member of the Nomination Committee.	Member of the Remuneration Committee. Member of the Nomination Committee.	Chairman of the Audit and Risk Management Committee. Member of the Nomination Committee.
Interests in shares and options	42,656 shares, representing 0.01% of issued capital.	13,309,325 shares, representing 3.94% of issued capital and 4,178,672 options.	94,458 shares, representing 0.03% of issued capital.	5,000 shares, representing 0.001% of issued capital.	35,000, representing 0.01% of issued capital
Experience and expertise	Neil Chatfield is an established Executive and Non-Executive Director with extensive experience across all facets of company management, and with specific expertise in financial management, capital markets, mergers and acquisitions, and risk management. In addition to SEEK, Neil also holds non-executive roles across a range of industries in ASX listed companies and is currently the Chairman of Virgin Australia, a non-executive Director of Transurban Group and Grange Resources, and from 2007 to 2012 was a non-executive Director of Whitehaven Coal. Neil was until 2009 an Executive Director and Chief Financial Officer of ASX listed Toll Holdings, Australia's largest transport and logistics company; a position he held for over 10 years. Neil has a Masters of Business in Finance and Accounting, and is a Fellow of CPA Australia (FCPA) and Fellow of the Australian Institute of Company Directors (FAICD).	Andrew is the CEO and Managing Director of SEEK, and co-founded SEEK in 1997. He has been involved in all stages of the development of the business since then. Andrew is an Executive Director of SEEK Limited. He is also a Director of a number of the Group's fully owned Australian subsidiaries as well as a director on the majority of the Group's International investments and holding companies. He is a Director of the charitable Shane Warne Foundation. Prior to co-founding SEEK, Andrew was a management consultant with Booz Allen Hamilton and prior to that, he worked as a solicitor at Corrs Chambers Westgarth. Andrew holds a Bachelor of Science (Computer Science) degree from the University of Melbourne, a Bachelor of Laws (Honours) degree from Monash University, and a Master of Business Administration degree from Melbourne Business School.	Colin Carter AM has a consulting background in organisational and business strategy. He is a former Senior Partner of, and a current Senior Adviser to, The Boston Consulting Group. His interests include corporate governance issues and in recent years Colin has carried out board performance reviews for a number of companies as well as co-authoring a top-selling book on boards, Back To The Drawing Board. Colin is a non-executive director of ASX Listed companies Wesfarmers Limited and Lend Lease Corporation Limited, and a Director of World Vision Australia. He is President of the Geelong Football Club and also a Director of Ladder which is the AFL Players' project to combat youth homelessness. In 2010, Colin was appointed by the Federal government to the new position of Ambassador for Business Action to encourage Australian businesses to increase their employment of Indigenous persons. Colin has a Bachelor of Commerce degree from Melbourne University and an MBA from Harvard Business School where he graduated with Distinction and as a Baker Scholar.	Emeritus Professor Denise Bradley AC has been extensively involved in national education policy groups for more than two decades. She was a member of the Commonwealth Tertiary Education Commission (CTEC) and later of the National Board of Employment, Education and Training (NBEET) and was deputy chair of the Higher Education Council of NBEET. In 2008 she chaired the Expert Panel which undertook the National Review of Higher Education. She has also had significant roles on other government and educational boards and committees involved in higher education and training. Professor Bradley is also a former President and Chair of IDP Education Australia Pty Ltd in which SEEK has a 50% investment in partnership with Australian Universities. Professor Bradley is currently a member of the Education Investment Fund Advisory Board, a member of the NSW National Partnerships Evaluation Committee, and Chair of VERNet. On Australia Day 2008 Professor Bradley was made a Companion of the Order of Australia, Australia's highest honour, in recognition of her service to higher education. Professor Bradley has a Bachelor of Arts degree from Sydney University, a Diploma of Education from Adelaide University, a Diploma of Librarianship from the University of NSW, and a Masters degree in Social Administration from Flinders University. She also holds Honorary Doctorates from Pukyong University (Korea), University of South Australia, Royal Melbourne Institute of Technology and the University of Western Sydney.	Graham retired in 2012 as Vice-Chairman and a Managing Director of Goldman Sachs Australia after 25 years with the firm. Graham held a number of senior roles during his career with Goldman Sachs, predominantly advising listed company management teams and boards, and governments, on capital market and financing conditions and transactions. He also held a number of governance related roles, specifically focused on risk management and reputational issues. Graham was also Chair of the Goldman Sachs Australia Foundation, the not for profit entity through which the firm conducts charitable works in Australia. Prior to working for Goldman Sachs or JBWere & Son, as it then was, Graham was employed by National Australia Bank. Graham was educated at Swinburne Institute of Technology and graduated with a Bachelor of Business (Accounting). He completed the Advanced Management Program at Harvard University in Boston in 2007. He is a CPA and member of the Australian Society of CPAs, a graduate member of the Australian Institute of Company Directors (GAICD) and a Fellow of the Financial Services Institute of Australia (FFin). Graham is a non-executive Director of ASX Listed Djerriwarrh Investments Ltd and a Council Member of Swinburne University of Technology where he also Chairs the Advisory Board of Swinburne Leadership Institute.

Directors' Report

Company secretary

The Company Secretary is Moana Weir. Moana was appointed General Counsel and Company Secretary of SEEK in December 2010. Moana has 13 years senior management experience in listed online companies, having previously been the Company Secretary and General Counsel at both REA Group Ltd (realestate.com.au) and Melbourne IT Ltd.

Moana was appointed as a non-executive director of VLine Corporation in October 2010 and is the Chair of the VLine Remuneration Committee. She is an independent director with a school not-for-profit organisation. She holds a BA, LLB (Hons) and is a Graduate member of the Australian Institute of Company Directors (GAICD).

Meetings of directors

	Board		Audit and Risk Management Committee		Remuneration Committee		Nomination Committee	
	Attended	Held	Attended	Held	Attended	Held	Attended	Held
N G Chatfield(1)	8	9	4	5	1	2	1	1
A R Bassat	9	9	-	-	-	-	-	-
C B Carter	9	9	4	5	4	4	1	1
D I Bradley	9	9	-	-	4	4	1	1
G B Goldsmith(1)	6	6	3	3	-	-	1	1
R C G Watson(1)	4	4	3	3	2	2	1	1

1. This table records the number of meetings held and attended in financial year 2013 while directors are current members of the Board or of any Committee.

Retirement, election and continuation in office of directors

Under the SEEK constitution, the following directors will seek re-election at the 2013 Annual General Meeting (AGM):

- Denise Bradley, being eligible, will seek re-election at the next AGM

Under the SEEK Limited constitution, directors cannot serve beyond three years or the third AGM after their appointment, whichever is longer.

If no director is in a position requiring them to stand for re-election in the normal rotation, then one director must stand for re-election at the AGM, as selected under the rules of the constitution.

Andrew Bassat, who is Managing Director and Chief Executive Officer, is not required to be re-elected while he holds the position of Managing Director.

Insurance of officers

SEEK Limited has entered into Deeds of Indemnity with all SEEK Limited directors in accordance with the SEEK constitution. During the financial year, SEEK Limited paid a premium to insure the directors, officers and managers of the company and its controlled entities. The insurance contract requires that the amount of the premium paid is confidential.

Proceedings on behalf of the Company

No person has applied to the Court under section 237 of the *Corporations Act 2001* for leave to bring proceedings on behalf of the Company, or to intervene in any proceedings to which the Company is a party, for the purpose of taking responsibility on behalf of the Company for all or part of those proceedings.

No proceedings have been brought or intervened in on behalf of the Company with leave of the Court under section 237 of the *Corporations Act 2001*.

Non-audit services

The Company may decide to employ the auditor on assignments additional to their statutory audit duties where the auditor's expertise and experience with the Company and/or the consolidated entity are important. Such services are typically associated with large transactions and are one-off in nature.

Details of the amounts paid to the auditor (PricewaterhouseCoopers) for non-audit services provided during the year are set out on page 121.

Non-audit services continued

The Board of Directors has considered the position and, in accordance with the advice received from the Audit and Risk Management Committee, is satisfied that the provision of the non-audit services is compatible with the general standard of independence for auditors imposed by the *Corporations Act 2001*. The directors are satisfied that the provision of non-audit services by the auditor, as set out below, did not compromise the auditor independence requirements of the *Corporations Act 2001* for the following reasons:

- all non-audit services have been reviewed by the Audit and Risk Management Committee to ensure they do not impact the integrity and objectivity of the auditor;
- none of the services undermine the general principles relating to auditor independence as set out in APES 110 *Code of Ethics for Professional Accountants*.

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 36.

During the year the following fees were paid or payable for non-audit services provided by the auditor of the parent entity, its related practices and non-related audit firms.

	2013 $'000	2012 $'000
(a) Other assurance services		
PricewaterhouseCoopers Australian firm:		
Due diligence services	**403,200**	674,404
Related practices of PricewaterhouseCoopers Australian firm:		
Other audit services	**629,851**	-
Total remuneration for other assurance services	**1,033,051**	674,404
(b) Taxation services		
PricewaterhouseCoopers Australian firm:		
Tax consulting - international tax matters	**194,853**	53,900
Tax consulting - domestic tax matters	**273,179**	586,962
Tax compliance	**57,680**	43,138
Related practices of PricewaterhouseCoopers Australian firm:		
Tax compliance services, including review of company tax returns	**93,259**	20,106
Total remuneration for other assurance services	**618,971**	704,106
Total remuneration for non-audit services	**1,652,022**	1,378,510

It is the Group's policy to employ PricewaterhouseCoopers on assignments additional to their statutory audit duties where PricewaterhouseCoopers' expertise and experience with the Group are important. These assignments are principally tax advice and due diligence reporting on acquisitions, and where PricewaterhouseCoopers is awarded assignments on a competitive basis. It is the Group's policy to seek competitive tenders for all major consulting projects.

Rounding of amounts

The company is of a kind referred to in Class Order 98/100, issued by the Australian Securities & Investments Commission, relating to the "rounding off" of amounts in the Directors' Report. Amounts in the Directors' Report have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, to the nearest dollar.

Auditor

PricewaterhouseCoopers continues in office in accordance with section 327 of the *Corporations Act 2001*.

Directors' Report

Remuneration Report

1. Contents

The remuneration report contains the following sections:

2. About this report

2.1 Key Management Personnel

Name	Position
Non-executive directors	
N G Chatfield	Chairman (effective 30 November 2012), non-executive director
R C G Watson	Chairman, non-executive director (resigned 30 November 2012)
C B Carter	Non-executive director
D I Bradley	Non-executive director
G B Goldsmith	Non-executive director (appointed 29 October 2012)
Executive director	
A R Bassat	Managing Director and Chief Executive Officer (“CEO”)
Other key management personnel	
J A Armstrong	Chief Financial Officer
J S Powell	Managing Director (SEEK Employment - Australia & New Zealand)
J S Lenga	Managing Director (SEEK International)
P D Everingham	Managing Director (SEEK Education)
M F Callaghan	Group Human Resources Director
H J Souness	Marketing Director (resigned 1 November 2012)
M J Ilczynski	Group Strategy Director
D Gibbons	Chief Information Officer

Changes since the end of the reporting period

David Gibbons resigned from the position of Chief Information Officer on 8 August 2013.

2.2 Basis of Preparation

This Remuneration Report sets out remuneration information for SEEK Limited’s Non-Executive Directors, Executive Director and other executives (key management personnel) of the Group. The information in this report has been prepared based on the requirements of the *Corporations Act 2001* and the applicable accounting standards.

The Remuneration Report is designed to provide shareholders with an understanding of SEEK’s remuneration policies, and the link between the Group’s remuneration philosophy, strategy and performance. Individual outcomes are provided for SEEK’s Non-Executive Directors (NEDs), the CEO and other Key Management Personnel (KMP).

The report has been audited.

Directors' Report

Remuneration report continued

2.3 Description of terms

Throughout this remuneration report, references will be made to a number of elements of the SEEK remuneration plan. The reference guide below outlines where details and explanations can be found for each feature of the plan:

Term	Description	Reference
Total remuneration ("TR")	Total remuneration in FY2013 comprises the executive's package of base salary, superannuation, performance rights and LTI options.	3.2
Performance right ("PR")	Executives are issued one performance right, valued at a fixed % of TR, which converts to a number of shares, according to calculations outlined in section 4.3.	3.3 4.3
Long-term incentive ("LTI") options	Executives are issued with a number of LTI options – each option gives the executive the right to purchase one share at a future date at a predetermined price, if all performance hurdles are met. Performance hurdles for the FY2013 LTI options are set using the concept of an Indexed option (see below).	3.4 4.4
Compound annual growth rate ("CAGR")	The year-on-year growth rate of an investment over a specified period of time.	4.4
Indexed Option	The exercise and strike price of the option is determined by grossing up the share price at effective date by the 15 year CAGR returns of the All Ords Index cumulatively over the three year plan.	4.4
Total Shareholder Return ("RTSR")	The level of total return of SEEK's shares to shareholders (capital gain plus dividends), over a predetermined period of time, in comparison to other companies in SEEK's comparator group.	6.2 6.4
Earnings Per Share ("EPS")	The portion of a company's profit allocated to each outstanding ordinary share. EPS is calculated as: Net Profit after tax attributable to SEEK Weighted average number of shares on issue	6.2
"Look-through" revenue	Revenue based on ownership as at each reporting date and calculated as follows: • SEEK's proportional ownership interest at the end of each reporting period multiplied by underlying 100% revenue of the entity or associate/JV As a number of the entities (Associates /JVs) included in the "look-through" results are not controlled and therefore not consolidated by SEEK, the "look-through" Revenue and EBITDA does not reconcile to SEEK's Consolidated Reported Revenue	6.3

3. Executive remuneration strategy and framework

3.1 Key changes

The SEEK Board is committed to a remuneration framework that is focused on creating sustainable shareholder value.

In late 2012, the Board carried out a review of SEEK's executive remuneration structure and principles. The guiding principles of this review were that SEEK's remuneration scheme should have the following attributes:

- Alignment to shareholder interests
- Alignment to achievement of company vision and goals
- Reasonableness, transparency and simplicity
- Attraction and retention of high calibre executives

As a result of the review, the Board identified enhancements to SEEK's executive remuneration strategy and these are as follows:

1. Establish a more appropriate peer group for benchmarking Total Remuneration
2. Remove Short-term Incentives (STI) for SEEK's executives
3. Design the Long-term Incentive (LTI) such that it only generates value for executives if shareholders are doing well

These enhancements greatly simplify SEEK's remuneration approach while, at the same time, strengthening alignment with shareholder interests. In addition, the changes apply to both the CEO and SEEK's executives which ensures that all senior members of SEEK's team are focussed on the same objectives.

The Board's intention is to set a level of total remuneration that is fair and reasonable in its structure and quantum. The aim is to appropriately reward and retain high calibre executives to ensure strong performance by the company in all market conditions and at all points in the economic cycle, and recognise that the Group competes on the global stage.

The changes are as follows.

3.2 Establish a more appropriate peer group for benchmarking Total Remuneration

Very few Australian companies have established strong market positions domestically and overseas in rapidly developing markets as SEEK has done. As well, SEEK is operating in an internet-based industry subject to rapid change and new competitor activity. Accordingly, the Board considers the use of benchmarks which focus mostly on Australian domestic companies to be problematic.

That said, the Board has selected a comparator group based on local Australian market capitalisation, while recognising that this is an imperfect benchmark measure as it does not capture the complexity of SEEK or its global competition. However, it provides a benchmark relevant for many positions in SEEK and the Board is still free to carefully consider how to benchmark SEEK's executives who are driving the global business. We periodically check local and international recruitment markets to determine what is needed to attract and keep SEEK's executive talent.

3.3 Remove Short-term Incentives for executives

The Board has removed short-term incentives from the remuneration packages of SEEK's CEO and his direct reports. The Board believes that this is simpler, more transparent and better aligned to shareholder interests.

SEEK's executives will be paid an amount as 'fixed' remuneration which is intended to be that amount that attracts and retains the executives through the cycle. It is very transparent in that this is known up-front and not dependent on complex STI formulae that are worked out at the end of the year.

Instead of a cash-based STI, a significant portion of the base payment (one-third) will be paid in performance rights which convert to shares at a future date. The payment in shares means that the value is at risk - as it is for shareholders.

For FY2013, the rights vest after 12 months and are then subject to disposal restriction periods of a further 12 months for executives and 18 months for the CEO, as opposed to the standard 12 month period that is common with traditional STIs.

Remuneration report continued

In summary, SEEK's new structure has a larger base payment but for the reasons explained above it is not necessarily larger than eventual outcomes when STIs deliver. Also, the new structure eliminates the cash STI and one-third of the base is paid in shares with a two-year lock. As such, SEEK's executives share the same performance risk as SEEK's shareholders.

SEEK's 'performance management' and link to remuneration

The high performance culture at SEEK drives the Board to focus on where the company is heading over the longer term and the senior executive remuneration system must be attuned to this. SEEK's process requires that an executive demonstrates strong year-on-year performance to support and even maintain his or her role. For the most senior roles at SEEK, the Board believes that performance judgements are not made on a short-term basis but rather over a longer term and, accordingly, remuneration will be tied to annual adjustments to total remuneration rather than using STIs which are really month-to month propositions.

Performance is the key driver to either maintaining a high percentile remuneration payment (against benchmarks) or justification for an increase in percentile. If executives do not perform strongly, their total remuneration in the following year will be affected. If performance is lacking over a sustained period, they will not continue in their roles. Thus, SEEK's remuneration structure is highly attuned to performance – the only difference being that SEEK does not believe that STIs are a good way to manage this for the reasons outlined above.

3.4 Design the long-term incentive such that it only generates value for executives if shareholders are doing well

The Board's intention has been to design a long-term incentive scheme that enables executives to share in any wealth that is being created – but only when SEEK's shareholders are also doing well. Investors are understandably annoyed when LTIs pay out when share prices have fallen.

SEEK's executives will receive indexed options to the value of one-third of their base package. The strike price for the options is determined by grossing up the SEEK share price at issue date by the rolling CAGR returns of the ASX All Ords Index over 15 years, for each year of the three year performance period. On vesting, an additional one year share disposal restriction period applies, resulting in the executive's ability to derive value from the LTI Options being restricted for a total period of four years.

The Board believes that this element of the SEEK remuneration scheme is highly aligned to the shareholder's long term interest as it only pays out when SEEK's share price has risen materially.

3.5 In summary:

SEEK's new remuneration structure, including the LTI options, means that a greater proportion of SEEK's executive remuneration is now tied up in equity. In FY2013, 40 percent of the executive remuneration package (excluding the CEO) is subject to the same market movements as those experienced by SEEK's shareholders. This will rise to 50% from FY2015. The equity component is highly aligned to shareholder interests, particularly in a growth business such as SEEK.

In summary, after a brief transition period to FY2015, the new remuneration package for SEEK executives will be as follows:

- 50% in cash or benefits
- 25% in deferred performance shares with a 1 year qualification period plus an 18 month lock
- 25% in indexed options with a 3 year vesting period plus 1 year lock and a strike price that has risen each year by the returns of the ASX All Ords Index over a 15 year period.

SEEK's objective in undertaking the remuneration review was to design a scheme that is aligned to shareholder expectations and is able to attract and retain high calibre executives – while also being transparent and simple. The Board believes that the new scheme is a big step in this direction.

Remuneration report continued

3.6 Remuneration mix for CEO and Executives

The following table outlines the components of the CEO and executive total remuneration ("TR") structure for the 2013 financial year:

	Base Pay	Non-monetary Benefits[1]	Performance Rights	LTI options
	Base salary plus superannuation	Salary continuance insurance cover	Annual issue of one performance right	Grant of share options
	Salary sacrificed benefits and related Fringe Benefits Tax	Car parking	12 month qualification period; shares 'accrued' each month	Performance linked to "indexed share price"
			Share trading restriction period follows – Executives: 12 months, CEO: 18 months	Three year performance period
CEO	50% of TR (incl. super)	N/A	25% of TR	25% of TR
Executive	60% of TR (incl. super)	N/A	20% of TR	20% of TR

1. Non-monetary benefits are minor amounts paid by SEEK in addition to Total Remuneration package

The above reflects a transitional FY2013 arrangement for Executives. By FY2015 the CEO and Executive pay mix and design elements will be fully aligned, as outlined in section 3.5 and 4.3.

4. Composition of Remuneration in FY2013

4.1 Base pay

Base pay is set at a market competitive rate and is reviewed annually by the Remuneration Committee, using peer group data updated annually by external remuneration consultants.

Total Remuneration for SEEK executives is targeted between the 50th and 80th percentiles of a comparator group comprising of companies with similar market capitalisations. The comparator group is +/-10 companies either side, compared to SEEK's market capitalisation as at 31 March each year. Market capitalisation is not the perfect measure for SEEK as it does not take into account the complexity of SEEK's operations or its global expansion; however SEEK's Board considers that it is currently the best on offer. The level of an individual executive's pay is determined by considering performance of the incumbent, relative importance of the role and supply of talent in the market. Base pay may be delivered as a combination of cash and benefits at the executive's discretion. There is no guaranteed annual increase in executive remuneration.

4.2 Benefits

Executives receive salary continuance insurance cover, which is provided to all permanent employees of the Company.

Retirement benefits are delivered under the Superannuation Guarantee Charge (SGC). Under current legislation, SEEK Limited permits the choice of superannuation funds to all employees. The SEEK Limited default fund is the SEEK Limited Superannuation Plan, which is provided by MLC Limited Group and is an accumulation fund. Other retirement benefits for directors and executives may be provided directly by SEEK if the benefit is within statutory limits or is approved by shareholders.

4.3 Performance rights

The performance right component of the remuneration framework operates as outlined below.

Quantum

The value of the performance right to executives in FY2013 is as follows:

- CEO receives 25% of total remuneration as a Performance Right
- All other executives receive as a Performance Right:
    - In FY2013, 20% of total remuneration, under transitional provisions
    - From FY2014, 22.5% of total remuneration
    - From FY2015, 25% of total remuneration

Terms and Duration

The performance right converts to shares following the expiry of a qualification period of one year (the "Performance Right Qualification Period"). Following this period, shares are held in Trust on behalf of individuals, and are subject to the following trading restrictions:

- the CEO cannot transfer or otherwise deal in the shares for 18 months (the "CEO Performance Right Share Restriction Period")
- other executives cannot transfer or otherwise deal in the shares for 12 months in FY2013, increasing to 18 months in FY2014 and beyond (the "Executive Performance Right Share Restriction Period").

During the respective restriction periods, all executives will receive the benefit of any dividends and other shareholder benefits (including voting rights) but will not be able to access or trade in the shares. Should the CEO or an executive no longer be employed by the SEEK Group within the respective share restriction period, they will be entitled to the full rights of the shares, but remain bound by the restrictions associated with them.

Remuneration report continued

Calculation

Share entitlement for each of the executives is determined each month during the one year qualification period. SEEK will calculate the notional value of shares that could be delivered in respect of that month following the end of the qualification period as follows:

$$Monthly\ Number = \frac{V}{AP}$$

Where:

- Monthly Number = the notional number of shares in respect of a relevant month (rounded up to the nearest whole number)
- V = 1/12th of the allocated value of the performance right
- AP = the volume weighted average price at which shares were traded on the ASX during that month.

Following the end of the Performance Right Qualification Period, SEEK will calculate the total number of shares to be provided on exercise of the performance right by aggregating the sum of the 12 monthly numbers.

The terms for the grants of performance rights made in FY2013 are set out below :

	Executive Performance Rights Issue	CEO Performance Rights Issue
Objectives	Align the reward for Executives with shareholder wealth and Group performance over a period of time	Align the reward for CEO with shareholder wealth and Group performance over a period of time
Grant date	3 December 2012	3 December 2012
Effective date	1 July 2012	1 July 2012
Vehicle	Performance Right	Performance Right
Vesting period and vest date	Performance right vests on 1 July 2013 and is subject to a 12 month disposal restriction period ending 1 July 2014.	Performance right vests on 1 July 2013 and is subject to an 18 month disposal restriction period ending 1 January 2015.
Share price at effective date	$6.34 at 1 July 2012	$6.34 at 1 July 2012
Performance conditions	Employment with the SEEK Group for entire qualifying period	Employment with the SEEK Group for entire qualifying period
Exercise price	Nil	Nil

4.4 LTI options

The LTI options component of the remuneration framework operates as outlined below.

Quantum

The value of LTI options to executives in FY2013 is as follows:

- CEO receives 25% of total remuneration as LTI options
- All other executives receive:
  - In FY2013, 20% of total remuneration as LTI options, under transitional provisions
  - From FY2014, 22.5% of total remuneration
  - From FY2015, 25% of total remuneration

The option entitlement for FY2013 for each executive is determined by dividing the allocated percentage of total remuneration by $0.76, being the estimated fair value of one option as valued by an independent external consultant at 1 July 2012. The fair value is reviewed at the effective date and grant date of each award.

Remuneration report continued

Terms and Duration

The FY2013 hurdle is set using the concept of an indexed option. The strike price (and exercise price) is determined by grossing up the SEEK share price at effective date by the rolling Compound Annual Growth Rate ("CAGR") returns of the ASX All Ords Index over 15 years, for each year of the three year performance period. The Board's view is that currently the preferred measure for appropriate returns is the 15 year CAGR for All Ordinaries.

If required performance hurdles are met, LTI options vest and convert to shares after the three-year vesting period has passed (the "vesting period").

In the event that LTI Options vest at the end of the three year vesting period, an additional one year share disposal restriction period applies. As a result, the executive's ability to derive value from the LTI Options is restricted for a total period of four years.

During the disposal restriction period after vesting, all executives will receive the benefit of any dividends and other shareholder benefits (including voting rights) but will not be able to access or trade in the shares.

Calculation

The FY2013 grant of options will be granted at no cost but each option has an exercise price of $7.43. The exercise price is calculated as follows:

- Issue date price*:* 5 day volume weighted average price ("VWAP") at 30 June 2012 was $6.27
- Prior 15 year rolling CAGR returns for the ASX All Ords Index was 5.8% for FY2013
- Exercise Price for each LTI Option is $6.27 x (1.058 ^ 3) = $7.43

The LTI Options are subject to an "Exercise Entitlement Percentage" ("EEP") performance condition measured over a three year testing period (30 June 2012 to 30 June 2015). The EEP is tested once on 30 June 2015 (the "Testing Date") by dividing the volume weighted average price of shares for the 5 trading days before the Testing Date (the "Testing Date Price"), by the target premium option strike price of $7.43 (the "TOSP") as follows:

$$\text{EEP} = \frac{\text{Testing Date Price}}{\text{TOSP}}$$

The percentage of LTI Options that will vest depends on SEEK's performance against the EEP condition over the three year testing period:

- If EEP = 1 or above, then 100% of LTI options will vest
- If EEP = < 1, then none of the LTI options will vest and options lapse immediately.

Options will also lapse immediately if an executive ceases employment before the Testing Date unless, subject to applicable law, the Board determines otherwise.

Remuneration report continued

The terms for the grants of performance rights made in FY2013 are set out below:

	Executives LTI Options Issue	CEO LTI Options Issue
Objectives	Align the reward for Executives with shareholder wealth and Group performance over a period of time	Align the reward for CEO with shareholder wealth and Group performance over a period of time
Grant Date	7 September 2012	3 December 2012
Effective Date	1 July 2012	1 July 2012
Vehicle	Indexed Options	Indexed Options
Vesting period and Vest date	Options vest on 1 July 2015 and are subject to a 12 month disposal restriction period ending 1 July 2016	Options vest on 1 July 2015 and are subject to a 12 month disposal restriction period ending 1 July 2016
Expiry date	1 July 2017	1 July 2017
Share price at grant date	$6.70 at 7 September 2012	$6.80 at 3 December 2012
Performance conditions	Dependent on achieving compounding annual growth in the SEEK share price of 5.8% per annum, using $6.27 as the starting price (share price at 1 July 2012)	Dependent on achieving compounding annual growth in the SEEK share price of 5.8% per annum, using $6.27 as the starting price (share price at 1 July 2012)
Vesting schedule	If the EEP (outlined above): = 1 or above, 100% of options will vest = Less than 1, 0% of options will vest	If the EEP (outlined above): = 1 or above, 100% of options will vest = Less than 1, 0% of options will vest
Exercise price	$7.43	$7.43
Fair value at grant date	$0.94	$1.05

5. Remuneration governance

5.1 Remuneration Committee function

The Remuneration Committee reviews and makes recommendations to the Board on the appropriate remuneration structure for the CEO and executives, as well as for non-executive directors. The Remuneration Committee is responsible for ensuring that the remuneration framework reflects the SEEK Board's focus on driving a performance culture that is aligned to the achievement of SEEK's business strategy and objectives and the creation of sustainable shareholder value. Full details of the SEEK Executive remuneration framework are set out in section 3.

5.2 Use of remuneration advisors

To ensure the Remuneration Committee is fully informed of market practice and trends, regulatory developments and shareholder views, the Remuneration Committee approved the engagement of Mercer Consulting (Australia) Pty Ltd during the year.

Mercer provided market benchmarking data for SEEK to compare remuneration of the CEO and executives and to ensure Total Remuneration reflects the market for comparable roles. Mercer was also engaged to provide market benchmarking data for Non-Executive Director fees for the Company to ensure payments are appropriate and in line with market trends and shareholder expectations. The Remuneration Committee is satisfied that no remuneration recommendations were provided.

The Remuneration Committee considered the analysis along with other factors, in making its remuneration decisions.

6. Relationship between remuneration and company performance

6.1 Aligning FY2013 remuneration to company performance

As outlined in section 3 of this report, the SEEK Board reviewed the Group remuneration strategy and enhanced the executive remuneration plans for the current year. The enhancements simplify SEEK's remuneration approach while, at the same time, strengthening alignment to long-term shareholder interests by aligning value to the executives with company performance.

When transitional arrangements are complete in FY2015, 50% of executive remuneration value will be directly aligned with company performance as summarised below:

- Performance rights are issued as equity, deferred for 12 months. Accordingly, the value of the performance right to executives is directly linked to the company performance and share price.
- LTI options are issued with a strike price calculated as an 'indexed option' – the SEEK share price must grow by more than the ASX All Ords Index over a period of time for the options to vest.

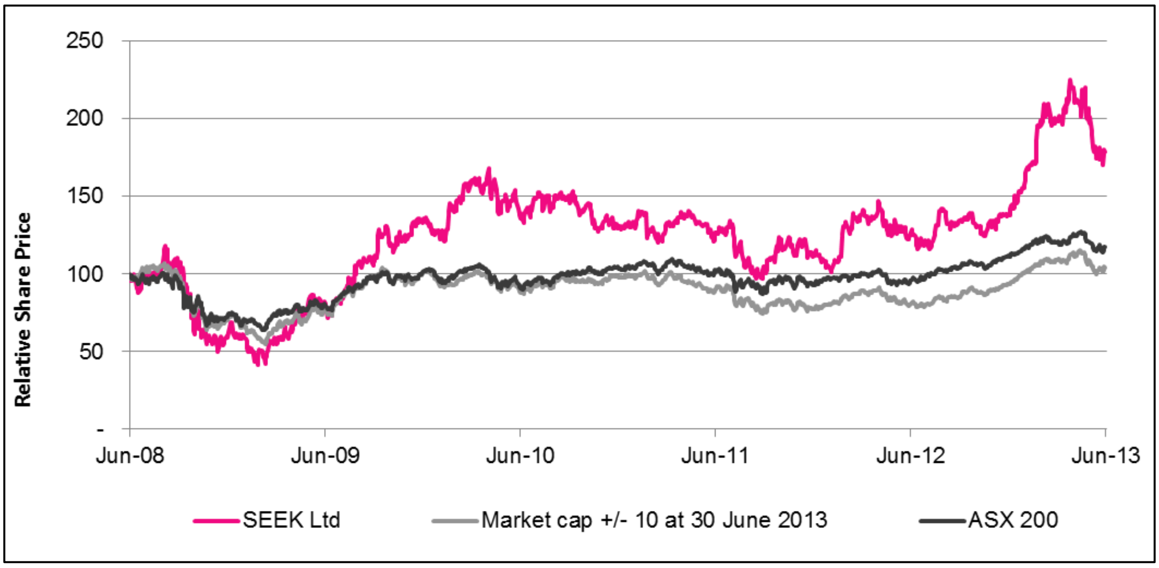
6.2 SEEK's five year performance

The table below sets out information about the Group's earnings and movements in shareholders' wealth for the past five years up to and including the current financial year.

	2013(1)	2012	2011	2010	2009
NPAT attributable to SEEK ($'m)	300.1	131.7	97.7	89.5	55.3
Share price at year end ($)	9.07	6.34	6.44	7.01	4.17
Weighted average share price ($)	8.58	6.11	6.86	6.30	3.86
Basic EPS (cents)	89.0	39.1	29.0	26.6	18.8
Total dividend (cents per share)	22.0	17.3	14.3	11.9	9.2

1. The results in the table reflect reported results. In 2013, these results include the fair value gain on step acquisition of Zhaopin Ltd.

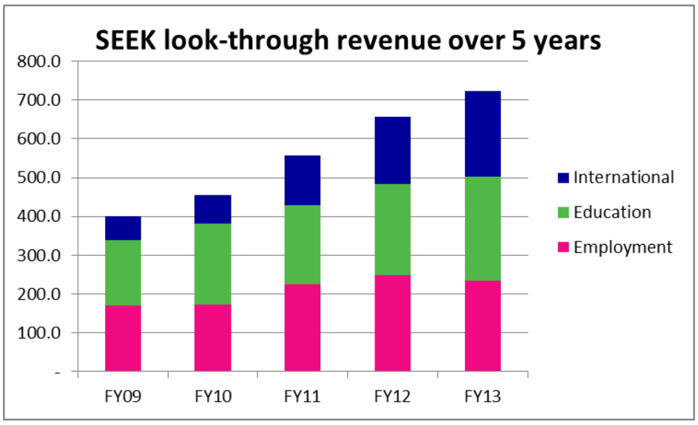
SEEK's relative share price in comparison to the ASX200 and Companies with Market cap +/- 10 either side of SEEK at 30 June 2013 is outlined below, again outlining the strong performance of SEEK against its peers in the past five years.



6.3 Total remuneration compared to key financial measures

Total executive remuneration for the current year is $12.3m which represents 4.1% of net profit after tax attributable to SEEK. In comparison to the prior year, this proportion has decreased by 2.4%.

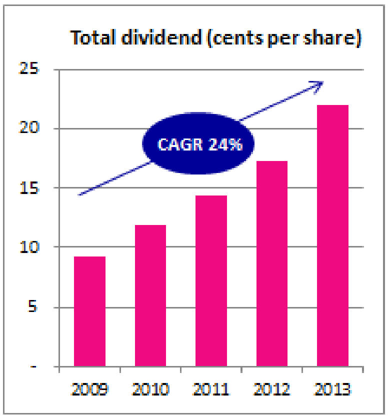
The graph below highlights the growth in look-through revenue of the SEEK Group in the last five years. While look-through revenue is not recognised under Australian Accounting Standards, it is used as a key financial measure of the SEEK Group as it incorporates revenues of all subsidiaries, associates and joint ventures across the Group (refer to section 2.3 for definition of "look-through revenue"). The results clearly reflect that SEEK's International business has grown significantly to become a key part of the Group, as part of the wider strategic direction.

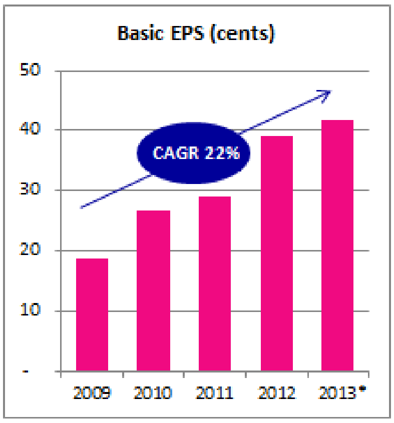


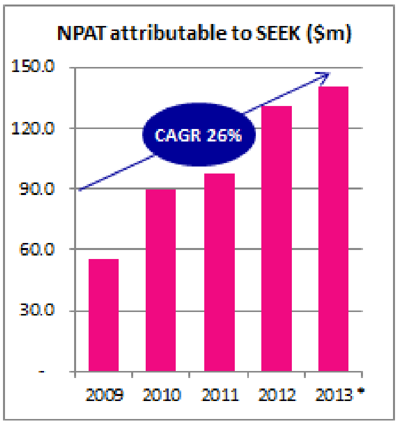
SEEK's TSR performance over the past five years is outlined below, in comparison to current and past peer groups for LTI options plans, and the ASX 200. It is clear from this data that SEEK's total shareholder return has outperformed that of all peer groups over the most recent five year period.

	TSR performance 1 July 2008 - 30 June 2013
SEEK Ltd	**100.9 %**
Peer Groups	
ASX 200	17.3 %
Companies with Market cap +/- 10 either side of SEEK	4.3 %
ASX 200 excluding metals, mining, energy and real estate	42.1 %

The graphs below show the growth of the SEEK Group in the last 5 years across three key financial measures:







*Graphs reflect reported results excluding impact of one-off accounting gain recognised on acquisition of Zhaopin during FY2013.

Remuneration report continued

In addition to financial measures, SEEK's executives must focus on key non-financial measures such as staff engagement, safety and customer satisfaction. For the past eight years SEEK has consistently ranked highly in the *Best Employers to Work for in Australia and New Zealand* survey conducted by Aon Hewitt.

6.4 Historical performance outcomes

Legacy LTI plans are option plans which were designed to align executive rewards with shareholder value through the use of RTSR and EPS hurdles. Two of these plans have not yet vested and all plans have exercise periods over several years.

LTI plans with a test date in FY2013 are shown in the following table:

	Grant Date	Members	Performance Hurdle	Test Date	Vest Date	% Vested
1.	1 July 2010	CEO and executives	EPS and RTSR	30 June 2013	1 July 2013	83%
2.	1 January 2011	CEO only	Continued employment	31 December 2012	1 January 2013	100%

1 July 2010 Options Grant

This is a three year plan with a performance period covering financial years 30 June 2011, 2012 and 2013. The hurdles were tested at 30 June 2013 (Test Date) and the plan vested on 1 July 2013 (Vest Date).

100% of options issued under the EPS hurdle vested because SEEK achieved the maximum EPS growth rate over the three year period. 66% of options issued under the RTSR hurdle vested and 34% lapsed because SEEK ranked at the 58th percentile against the comparator group. The RTSR maximum target is met if SEEK is ranked at or above the 75th percentile in the comparator group.

1 January 2011 CEO Fixed Remuneration Options Grant

On the resignation of Paul Bassat as the joint CEO of SEEK in 2011, Andrew Bassat committed to the role of sole CEO in February 2011. At that time, the independent non-executive directors reviewed Andrew's remuneration in order to reflect the additional responsibilities as sole CEO. As part of their review, the directors determined that Andrew's remuneration as sole CEO would be structured with an equity component to ensure alignment with shareholder interests. On this basis, a revised package was determined, effective 1 January 2011, comprising a fixed salary of $770,000 per annum and a fixed payment of options over two years (50% each year) of $2,000,000, with the condition that Andrew remained CEO at SEEK until at least 1 January 2013. Shareholder approval was obtained at the SEEK 2011 AGM and options were granted on 21 November 2011 in two tranches. The first tranche of options vested on 31 December 2011 and the second tranche vested on 31 December 2012.

6.5 Shares provided on exercise of remuneration options

A number of KMP have exercised options during the year under plans granted and vested in previous financial years. Details of ordinary shares in the Company provided as a result of these exercises during the year are set out below.

	Date of Exercise	Number of ordinary shares issued on exercise	Weighted average exercise price	Value at exercise Date*	Options fulfilment
Executive Director					
A R Bassat	19 March 2013	559,212	$4.10	$3,327,311	Issue of shares
Other Key Management Personnel					
J A Armstrong	19 March 2013	77,563	$4.10	$461,500	Issue of shares
J S Powell	29 August 2012	150,316	$4.10	$468,986	Purchased on market
J S Lenga	19 March 2013	94,937	$4.10	$564,875	Issue of shares
M F Callaghan	29 August 2012	63,443	$4.10	$197,942	Purchased on market
H J Souness	24 October 2012	60,418	$4.10	$166,754	Purchased on market

* Value at exercise date has been determined as the intrinsic value of the options at that date

Remuneration report continued

6.6 Statutory remuneration disclosures

The statutory remuneration disclosures for the year ended 30 June 2013 are detailed in section 8 and are prepared in accordance with Australian Accounting Standards (AASBs). These statutory disclosures differ somewhat from the FY2013 remuneration decisions and outcomes outlined in the SEEK remuneration strategy in section 3.

These differences arise mainly due to the accounting treatment of share-based payments (such as the Performance Right and LTI options). The statutory disclosures include an accounting remuneration value for both current year performance rights and all unvested LTI options plans.

Current year Performance Right awards and unvested LTI options

Accounting standards require remuneration in the form of performance rights and LTI options to be expensed (and therefore included as remuneration) over the life of the option or right. This creates a disconnect between reported remuneration and the corresponding years' financial and non-financial performance.

7. Executive Contract terms

7.1 Summary of CEO Remuneration

The CEO's remuneration comprises:

Remuneration element	Value	Proportion of package	Nature of remuneration	Details
Base pay, including superannuation	$1,650,000	50%	Fixed pay	
Benefits	$6,074	N/A	N/A	Benefits received include income protection insurance and car parking
Performance Right	$825,000	25%	Variable	CEO was granted one Performance Right as approved by shareholders at the November 2012 AGM. The Performance Right has been granted under the terms outlined in section 4.3 (CEO Performance Rights Issue)
LTI options	$825,000	25%	At risk	Using an external fair value of $0.76 calculated as at 1 July 2012, the CEO was granted 1,085,526 options on 3 December 2012 under an LTI Plan approved by shareholders at the November 2012 AGM. The options have been granted under the terms outlined in section 4.4 (CEO LTI Options Issue)

Details of all outstanding option plans in which the CEO has participated can be found in section 9.

7.2 Executive Service agreements

Remuneration and other terms of employment for the CEO and other key management personnel are formalised in service agreements. Each of these agreements provides for base salary, performance rights and LTI and are reviewed annually by the Remuneration Committee.

As part of the new remuneration strategy, termination notice periods and non-competition periods were reviewed. All executives (excluding CEO) have termination notice periods of three months by employee and three months by employer. The CEO has a termination notice period of six months by employee and six months by employer. In addition, all executives have non-competition periods of 12 months across all markets in which SEEK operates from the termination date. The company can terminate employment with a payment in lieu of notice.

8. Executive Statutory Remuneration for 2013 and 2012

Details of the remuneration of the key management personnel (excluding non-executive directors) of SEEK Limited and the SEEK Group are set out in the following tables.

		Short term benefits			Post-employment benefits	Long-term benefits	Share-based payments				Total	Percentage of remuneration that consists of:			
		Cash salary [1]	Cash Bonus [2]	Non-monetary benefits	Super-annuation [3]	Long service leave	Share-based payments - Performance rights[4]	Share-based payments - LTI options[5]	Fixed remuneration options[6]	Education LTI [9]		Fixed [7]	At risk STI	Variable Perf rights[8]	At risk LTI
		$	$	$	$	$	$	$	$		$	%	%	%	%
Executive directors															
A R Bassat	**2013**	**1,625,000**	-	**6,074**	**25,000**	**205,154**	**825,000**	**1,123,012**	**107,514**	-	**3,916,754**	**50%**	**n/a**	**21%**	**29%**
	2012	814,300	-	5,531	25,000	7,551	-	1,275,198	(41,329)	-	2,086,251	39%	n/a	0%	61%
Other key management personnel															
J A Armstrong	**2013**	**635,000**	-	**6,074**	**25,000**	**21,978**	**220,000**	**201,211**	-	-	**1,109,263**	**62%**	**0%**	**20%**	**18%**
	2012	571,118	142,877	5,531	25,000	22,857	-	149,616	-	-	916,999	68%	16%	0%	16%
J S Powell	**2013**	**851,000**	-	**6,753**	**25,000**	**35,043**	**292,000**	**303,203**	-	-	**1,512,999**	**61%**	**0%**	**19%**	**20%**
	2012	706,659	166,363	6,015	25,000	24,071	-	256,947	-	-	1,185,055	64%	14%	0%	22%
J S Lenga	**2013**	**851,000**	-	**6,753**	**25,000**	**52,139**	**292,000**	**383,890**	-	-	**1,610,782**	**58%**	**0%**	**18%**	**24%**
	2012	668,754	189,041	6,015	25,000	18,467	-	293,553	-	-	1,200,830	60%	16%	0%	24%
P D Everingham[9]	**2013**	**726,175**	**146,400**	**5,366**	**25,000**	**22,496**	**246,000**	**269,823**	-	**(122,416)**	**1,318,844**	**59%**	**11%**	**19%**	**11%**
	2012	606,143	193,050	5,048	25,000	29,498	-	79,444	-	-	938,183	71%	21%	0%	8%
M F Callaghan	**2013**	**410,000**	-	**6,061**	**25,000**	**13,361**	**145,000**	**151,546**	-	-	**750,968**	**61%**	**0%**	**19%**	**20%**
	2012	283,949	65,196	5,383	25,078	31,426	-	122,095	-	-	533,127	65%	12%	0%	23%
H J Souness [10]	**2013**	**147,342**	-	**2,024**	**13,261**	**(31,538)**	-	**(109,534)**	-	-	**21,555**	**n/a**	**0%**	**0%**	**n/a**
	2012	270,256	67,179	5,531	25,165	8,287	-	99,240	-	-	475,658	65%	14%	0%	21%
M J Ilcyznski [9]	**2013**	**718,881**	**132,000**	**6,414**	**25,000**	**31,305**	**244,000**	**256,836**	-	**(122,416)**	**1,292,020**	**60%**	**10%**	**19%**	**10%**
	2012	549,970	176,324	5,773	25,000	23,483	-	72,561	-	-	853,111	71%	21%	0%	9%
D Gibbons[11]	**2013**	**410,000**	-	**6,261**	**25,000**	-	**145,000**	**99,414**	-	-	**685,675**	**64%**	**0%**	**21%**	**14%**
	2012	268,642	69,110	3,858	17,483	22,680	-	38,889	-	-	420,662	74%	16%	0%	9%
Total	**2013**	**6,374,398**	**278,400**	**51,780**	**213,261**	**349,938**	**2,409,000**	**2,679,401**	**107,514**	**(244,832)**	**12,218,860**				
	2012	4,739,791	1,069,140	48,685	217,726	188,320	-	2,387,543	(41,329)	-	8,609,876				

Remuneration report continued

1. Cash salary includes base salary and excess superannuation.
2. In FY2012, cash bonus relates to at risk STI paid to executives as part of remuneration package. This was replaced by longer term performance rights in FY2013. Bonuses received by Mike Ilcyznski and Pete Everingham in FY2013 related to successful completion of the 20% sale of interest in THINK.
3. Staff can elect to have super capped at $25,000. Any excess super is included within "cash salary".
4. Amounts disclosed reflect the expense for the Executives' FY13 Performance Right issue. The Performance Right plan replaces the previous SEEK STI plan.
5. Amounts disclosed reflect the value of remuneration consisting of options, based on the value of options expensed during the year. Negative amounts indicate expenses reversed during the year due to employee leaving SEEK.
6. Andrew Bassat was issued 1,156,069 options through a fixed remuneration option arrangement at average 'fair value' of $1.73 on offer date of 1 January 2011. Following shareholder approval at the AGM, the options were revalued at an average fair value of $0.69 on grant date of 21 November 2011. The credit in FY2012 relates to an adjustment due to the change in fair value.
7. Fixed remuneration in FY2013 includes cash salary, non-monetary benefits, all superannuation benefits, long service leave, and fixed remuneration options.
8. FY2013 variable Performance Rights reflects the proportion of remuneration expensed in the year relating to the Executives' Performance Right issue. The Performance Right plan replaces the previous SEEK STI plan.
9. The 2010-2013 Education LTI plan was removed in conjunction with the change of ownership in THINK. Both participants were moved onto the SEEK LTI plan on a pro rata basis. Negative amounts indicate expenses reversed during the year due to removal of the plan.
10. Helen Souness resigned effective 1 November 2012 and her total remuneration has been pro-rated until this day. Helen's unvested performance rights and options lapsed at this date and a credit has been recognised for previous expenses incurred for these plans.
11. David Gibbons was appointed on 1 October 2011 and his FY2012 total remuneration was pro-rated from this day. David resigned effective 8 August 2013; David's unvested performance rights and options will be lapsed at this date. No expense has been recognised for long service leave in FY2013 as David announced his resignation prior to 30 June 2013.

9. Equity plans

9.1 Equity grants outstanding

The following table outlines the details of the LTI grants outstanding for each participant and other movements in options and performance rights in the year.

No options will vest if the performance conditions are not satisfied, hence the minimum value of the option yet to vest is nil. Fair value is calculated in accordance with the Group's accounting policy as discussed in note 1(s)(iv). There were no amounts paid and there were no amounts outstanding or due from KMP in relation to the grant of options during the year.

	Grant date	# of options and rights granted	Vest date	Exercise price	Value of options/ rights at grant date[1]	Vested %	Vested #	Forfeited / lapsed %	Value of lapse at lapse date[2]
A R Bassat	6 Nov 2008[3]	1,045,530	30 Jun 2009 30 Jun 2010 30 Jun 2011	$5.29	$624,704	45%	471,011	55%	30 Jun 2009: $nil 30 Jun 2010: $224,789 30 Jun 2011: $300,590
	30 Nov 2009	559,212	1 Jul 2012	$4.10	$1,688,820	100%	559,212	-	-
	1 Jul 2010	502,000	1 Jul 2013	$7.39	$1,004,000	-	-	-	-
	21 Nov 2011	1,156,069	1 Jan 2012 1 Jan 2013	$6.80	$2,000,000	100%	1,156,069	-	-
	21 Nov 2011	964,065	1 Sep 2014	$5.36	$1,359,332	-	-	-	-
	3 Dec 2012	1	1 Jan 2015	$nil	$825,000	-	-	-	-
	3 Dec 2012	1,085,526	1 Jul 2015	$7.43	$1,139,802	-	-	-	-
J A Armstrong	30 Jun 2009	77,563	1 Jul 2012	$4.10	$121,386	100%	77,563	-	-
	1 Jul 2010	73,530	1 Jul 2013	$7.39	$147,060	-	-	-	-
	1 Sep 2011	176,000	1 Sep 2014	$5.36	$216,480	-	-	-	-
	1 Jul 2012	1	1 Jan 2015	$nil	$275,000	-	-	-	-
	7 Sep 2012	289,474	1 Jul 2015	$7.43	$272,106	-	-	-	-
D J Gibbons	1 Sep 2011	113,821	1 Sep 2014	$5.36	$140,000	-	-		-
	1 Jul 2012	1	1 Jan 2015	$nil	$181,250	-	-	-	-
	7 Sep 2012	190,789	1 Jul 2015	$7.43	$179,342	-	-	-	-
J S Powell	30 Jun 2009	150,316	1 Jul 2012	$4.10	$235,245	100%	150,316	-	-
	1 Jul 2010	129,438	1 Jul 2013	$7.39	$258,876	-	-	-	-
	1 Sep 2011	269,970	1 Sep 2014	$5.36	$332,063	-	-	-	-
	1 Jul 2012	1	1 Jan 2015	$nil	$365,000	-	-	-	-
	7 Sep 2012	384,211	1 Jul 2015	$7.43	$361,158	-	-	-	-
J S Lenga	30 Jun 2009	94,937	1 Jul 2012	$4.10	$148,576	100%	94,937	-	-
	1 Jul 2010	113,750	1 Jul 2013	$7.39	$227,500	-	-	-	-
	1 Sep 2011	254,878	1 Sep 2014	$5.36	$313,500	-	-	-	-
	1 Sep 2011	400,000	1 Sep 2014	$5.36	$292,000	-	-	-	-
	1 Jul 2012	1	1 Jan 2015	$nil	$365,000	-	-	-	-
	7 Sep 2012	384,211	1 Jul 2015	$7.43	$361,158	-	-	-	-

Remuneration report continued

	Grant date	# of options and rights granted	Vest date	Exercise price	Value of options/rights at grant date[1]	Vested %	Vested #	Forfeited / lapsed %	Value of lapse at lapse date[2]
P D Everingham	1 Sep 2011	232,520	1 Sep 2014	$5.36	$286,000	-	-	-	-
	1 Jul 2012	1	1 Jan 2015	$nil	$307,500	-	-	-	-
	7 Sep 2012	42,500	1 Jul 2013	$7.39	$85,000	-	-	-	-
	7 Sep 2012	323,684	1 Jul 2015	$7.43	$304,263	-	-	-	-
M J Ilcynski	1 Sep 2011	212,375	1 Sep 2014	$5.36	$261,221	-	-	-	-
	1 Jul 2012	1	1 Jan 2015	$nil	$305,000	-	-	-	-
	7 Sep 2012	40,500	1 Jul 2013	$7.39	$81,000	-	-	-	-
	7 Sep 2012	321,053	1 Jul 2015	$7.43	$301,790	-	-	-	-
M F Callaghan	30 Jun 2009	63,443	1 Jul 2012	$4.10	$99,288	100%	63,443	-	-
	1 Jul 2010	60,000	1 Jul 2013	$7.39	$120,000	-	-	-	-
	1 Sep 2011	143,411	1 Sep 2014	$5.36	$176,396	-	-	-	-
	1 Jul 2012	1	1 Jan 2015	$nil	$181,250	-	-	-	-
	7 Sep 2012	190,789	1 Jul 2015	$7.43	$179,342	-	-	-	-
H J Souness	30 Jun 2009	60,418	1 Jul 2012	$4.10	$94,554	100%	60,418	-	-
	1 Jul 2010	53,000	1 Jul 2013	$7.39	$106,000	-	-	100%	$nil
	1 Sep 2011	94,797	1 Sep 2014	$5.36	$116,600	-	-	100%	$120,392
	1 Jul 2012	1	1 Jan 2015	$nil	$80,250	-	-	100%	$80,250
	7 Sep 2012	95,033	1 Jul 2015	$7.43	$89,331	-	-	100%	$nil

1. Value at grant date has been determined as fair value of options at grant
2. Value at exercise date has been determined as the intrinsic value of the options at that date. If exercise price exceeds share price at lapse date, intrinsic value is nil.
3. Grant date reflects date after approval at AGM.

9.2 Shares under option or right

Date granted	Expiry date	Exercise price of options	Number
Executive Director Options			
6 November 2008[1]	6 November 2008	$5.29	471,011
21 November 2011	31 December 2014	$6.80	1,156,069
21 November 2011	1 September 2016	$5.36	964,065
3 December 2012	1 July 2017	$7.43	1,085,526
Options plans			
30 June 2009	1 July 2014	$4.10	125,319
1 July 2010	1 July 2015	$7.39	1,308,860
1 September 2011	1 September 2016	$5.36	2,807,690
7 September 2012	1 July 2017	$7.43	2,320,066
Total Shares under option or right[2]			**10,238,606**

1. Grant date reflects date after approval at AGM.
2. Balance excludes performance rights that were automatically exercised on 1 July 2013. Corresponding fulfilment of these shares will occur on 1 September 2013.

10. Non-executive director fees

10.1 Fee policy

The following table outlines the non-executive director fee policy:

Aggregate non-executive director fee pool	Non-executive directors' fees are determined within an aggregate directors' fee pool limit. The fee pool currently stands at $1,250,000 per annum, covering all non-executive directors. The current fee pool was approved by shareholders at the 2011 Annual General Meeting (AGM).
Non-executive director fees and fee reviews	Fees and payments to non-executive directors are determined on an individual basis in accordance with demands that are made on, and the responsibilities of, the directors. Non-executive directors' fees and payments are reviewed annually by the Remuneration Committee, and approved by the Board, to ensure fees are appropriately positioned against the market to attract and retain high calibre non-executive director talent. In July 2013, independent remuneration consultants provided the Board with a comparative benchmarking analysis on director fees. The Board has determined that the appropriate benchmark for directors' fees is the 50th percentile which aligns with salary benchmarking across the SEEK organisation. As a result, effective 1 July 2013, the following fee structure applied: Non-executive director — $135,000 Additional fees are paid for the following roles: Chairman of the Audit & Risk Management Committee — $27,250 Chairman of the Remuneration Committee — $10,000 The Chairman's fees are determined as a separate exercise to those of other non-executive directors' fees. The Chairman is not present at any discussions relating to determination of his own remuneration. Chairman of the Board — $350,000
Superannuation	Included in the fees set out above, non-executive directors receive superannuation payments in accordance with statutory requirements, calculated as 9% of directors' fees until 30 June 2013 and 9.25% of directors' fees from 1 July 2013. Superannuation is paid up to the maximum legal threshold, with the remainder paid in cash.
Non-executive director minimum shareholding requirement	All non-executive directors are required to acquire over time a SEEK shareholding equivalent to one year of directors' fees. Non-executive directors have the option of reaching this level by purchasing shares themselves or by opting into an arrangement with SEEK. This arrangement is that SEEK purchases an amount of shares on behalf of the non-executive director twice a year immediately following the financial results release as permitted under the terms of the SEEK share trading policy, to the value of 20% of their annual fee after tax. Directors may opt into a greater amount than 20% if they wish. When the non-executive director reaches the required shareholding they can opt to end the arrangement and receive their full annual fee as cash.
Performance - based remuneration	Non-executive directors do not receive share options or any performance-based remuneration.

Directors' Report

Remuneration report continued

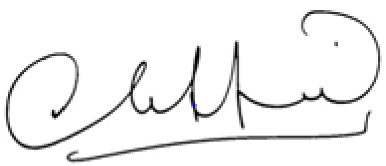
10.2 Fees for 2013 and 2012

Details of the nature and amount of each element of the remuneration of each non-executive director of the parent entity and the Group for the year ended 30 June 2013 is set out in the following table:

		Short term benefits			Post-employment benefits		
		Director fees $	Cash Bonus $	Non-monetary benefits $	Superannuation $	Retirement benefits $	Total $
Non-executive directors							
N G Chatfield[(1)]	**2013**	**225,328**			**20,280**		**245,608**
	2012	152,250	-	-	13,703		165,953
R C G Watson[(2)]	**2013**	**110,250**			**9,923**		**120,173**
	2012	252,000	-	-	22,680	-	274,680
C B Carter	**2013**	**121,150**			**10,904**		**132,054**
	2012	110,250	-	-	9,923		120,173
D I Bradley	**2013**	**115,763**			**10,419**		**126,182**
	2012	110,250	-	-	9,923		120,173
G B Goldsmith[(3)]	**2013**	**95,466**			**8,592**		**104,058**
	2012	-	-	-	-	-	**-**
Total	**2013**	**667,957**	**-**	**-**	**60,118**	**-**	**728,075**
	2012	624,750	-	-	56,229	-	680,979

1. Neil Chatfield was appointed Chairman of the Board effective 30 November 2012 and his Director fees updated at this time to reflect greater responsibilities associated with this role.
2. Bob Watson resigned from the Board effective 30 November 2012.
3. Graham Goldsmith was appointed as Non-executive Director on 29 October 2012 and his fees have pro-rated from this date.

This report is made in accordance with a resolution of the directors.



Neil Chatfield
Chairman
Melbourne
21 August 2013

Auditor's Independence Declaration

As lead auditor for the audit of SEEK Limited for the year ended 30 June 2013, I declare that to the best of my knowledge and belief, there have been:

a) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the audit; and

b) no contraventions of any applicable code of professional conduct in relation to the audit.

This declaration is in respect of SEEK Limited and the entities it controlled during the period.

John Yeoman
Partner
PricewaterhouseCoopers

Melbourne
21 August 2013

PricewaterhouseCoopers, ABN 52 780 433 757
Freshwater Place, 2 Southbank Boulevard, SOUTHBANK VIC 3006, GPO Box 1331, MELBOURNE VIC 3001
T: 61 3 8603 1000, F: 61 3 8603 1999, www.pwc.com.au

Corporate Governance Statement

The Board of SEEK considers that high standards of corporate governance are a cornerstone to creating long term and sustainable shareholder value. It is also a key element in ensuring that the Company workplace is fair, equitable and respectful of its employees, and protects the interests of other stakeholders.

Features of the SEEK corporate governance regime are summarised below. Further details on the Company corporate governance codes, policies and charters are available from the SEEK website www.seek.com.au (the "Company website"): About SEEK – Corporate Governance section.

SEEK has adopted the revised ASX Corporate Governance Council's Corporate Governance Principles and Recommendations. SEEK considers that its governance systems were consistent with these Principles throughout the reporting period.

Board and Senior Management Functions

(Corporate Governance Principles and Recommendations: 1.1, 2.3)
The Board operates in accordance with the SEEK Board Charter, which is available from the Company website and sets out the functions reserved to the Board. The Board reviews and approves the Board Charter on an annual basis.

Responsibilities

The responsibilities of the Board as set out in the Board Charter include:

- **Strategy**
  - Providing input and approval of the Group's strategic direction and business plans as developed by Management.
  - Directing, monitoring and assessing the Group's performance against strategic and business plans.
  - Approving and monitoring capital management including major capital expenditure, acquisitions and divestments.
- **Risk management**
  - Ensuring a process is in place to identify the principal risks of the Group's business.
  - Reviewing, ratifying and assessing the integrity of the Group's systems of risk management, legal compliance, and internal compliance and control.
- **Reporting and disclosure**
  - Approving and monitoring financial and other reporting, including reporting to shareholders and other stakeholders.
  - Establishing procedures to ensure implementation and adherence by appropriate management levels of the Group's continuous reporting policy by appropriate levels of management.
- **Management**
  - Appointment and terms of engagement of the CEO.
  - Ensuring that a process is in place such that the remuneration and conditions of service of senior executives are appropriate.
  - Ensuring that a process is in place for executive succession planning, and monitoring that process.
- **Performance**
  - Evaluating the CEO's performance.
  - Approving criteria for assessing performance of senior executives and for monitoring and evaluating the performance of senior executives.
  - Undertaking a performance evaluation of the Board.
  - Establishing and reviewing succession plans for Board membership.

Corporate Governance Statement continued

- **Corporate governance**
  - Establishing appropriate standards and encouraging ethical behaviour and compliance with the Group's own governing documents, including the Group's Code of Conduct.
  - Monitoring the Group's compliance with corporate governance standards.

The SEEK Board Charter was reviewed in 2013 to ensure it remains consistent with the Board's objectives and responsibilities. The Charter delegates authority to the CEO for management of the Company. The role has overall responsibility for the operational, financial and business performance of SEEK and the SEEK Group of companies, while also managing the organisation in accordance with the strategy and policies approved by the Board. Executives reporting to the CEO have their roles and responsibilities defined in specific position descriptions.

The roles of Chairman and CEO are not exercised by the same individual.

Board Composition and Size

(Corporate Governance Principles and Recommendations: 2.1, 2.2, 2.6)

The SEEK Board comprises the following directors at the date of this Report:

Name	Position	Appointed
Mr Neil Chatfield	Chairman, independent and non-executive director	June 2005
Mr Andrew Bassat	MD and CEO, executive director	Sept 1997
Mr Colin Carter	Independent and non-executive director	March 2005
Ms Denise Bradley	Independent and non-executive director	Feb 2010
Mr Graham Goldsmith	Independent and non-executive director	Oct 2012

Mr Bob Watson, who was first appointed in February 1999, retired as Chairman and director of the Board after the Company AGM held on 30 November 2012.

The directors determine the size of the Board with reference to the SEEK Constitution and SEEK Board Charter, which provides that there will be a minimum of three directors. The SEEK Board currently comprises four non-executive directors and the Managing Director.

The Board considers that the directors bring professional skills, knowledge and experience as well as personal attributes which enable the Board to operate effectively and meet its responsibilities to the Company, its shareholders and other stakeholders. The professional experience of the Board members covers diverse areas across a broad range of industries such as Retail, Investment banking, Transport and Logistics, and Education. For further information on the directors please refer to the Information on Directors section of the Directors' Report.

The Board successfully concluded a selection process to appoint a new independent and non-executive director with the appointment of Mr Graham Goldsmith to the Board in October 2012. Following the retirement from the Board of Mr Bob Watson in November 2012, the Board has determined that the Company would benefit from the addition of a further Director to increase the existing skills, experience and diversity of Directors.

Appointment of new directors

It is the role of the Nomination Committee to identify suitable candidates to complement the existing Board and to make recommendations to the Board on their appointment. Where appropriate, external consultants may be engaged to assist in searching for candidates.

Where a candidate is recommended by the Nomination Committee, the Board will assess that candidate against a range of criteria including background, experience, professional qualifications, personal qualities and cultural fit with the Board and the Company, as well as the potential for the candidate's skills to augment the existing Board. If these criteria are met and the Board appoints the candidate as a director, that director must have their appointment confirmed at the next AGM.

Induction of new directors and on-going director development

New directors are provided with a formal letter of appointment which sets out the key terms and conditions of employment, including their duties and responsibilities, required time commitment, requirement to disclose notifiable interests or other interests and matters affecting independence.

New directors participate in an induction program designed to introduce the director to all aspects of SEEK's business and corporate strategies, as well as incorporating information in relation to areas in which the director will particularly be involved where the director will be a member of a Committee. The new director will meet with the Chairman and each director, the CEO, each executive and relevant senior managers in order to gain an insight in to the values and culture of SEEK.

On an on-going basis, directors are provided with presentations and briefings on matters impacting the strategy and operations of SEEK. Directors are also provided with legal compliance training in relation to matters of Group governance. In FY2013 all directors have been provided with anti-bribery compliance training in relation to the SEEK Group anti-bribery policy, a copy of which is available from the Investor section of the Company website, www.seek.com.au.

To assist directors in better understanding the Company's international strategic and operational objectives, the Board held a Board meeting in Beijing China during FY2013 at the head office of the Company's subsidiary business Zhaopin Ltd. In addition, various individual directors have visited the head office of the Company's South East Asian subsidiary business JobsDB which is located in Hong Kong. The Board met with the CEOs and other senior managers of each international subsidiary business at a SEEK conference held in Melbourne in May 2013.

Director Independence

(Corporate Governance Principles and Recommendations: 2.1, 2.6)

The Board confirms that all current serving non-executive directors are independent. Mr Andrew Bassat, by virtue of his executive office as MD and CEO, is not considered to be independent.

The Board requires that directors bring views and judgement to the Board deliberations which are independent of management and of any business or third party relationship that could materially interfere with the exercise of objective judgement. The Board's approach to the assessment of independence is set out in its Directors Independence Guidelines and is informed by ASX principles, the materiality guidelines applied in accordance with Australian accounting standards and the Corporations legislation.

The Board has determined that none of its independent directors hold relationships which could reasonably be perceived to materially interfere with or compromise their independent judgement.

The Board tables individual director interests at every SEEK Board meeting.

Access to Information

(Corporate Governance Principles and Recommendations: 2.6)

Directors are able to access members of senior management to request relevant information in their role as a non-executive director.

Directors are entitled to seek independent professional advice at the Company's expense relating to their role as a SEEK director, subject to the prior written approval of the Chairman.

Board Remuneration and Performance Review

(Corporate Governance Principles and Recommendations: 2.5, 2.6, 8.2, 8.3)

The Board reviews its performance on a regular basis, including Board documentation and process and Committee performance. The Board uses surveys for the purpose of its internal Board and Committee performance reviews. The aim of the internal Board performance review is to ensure that individual directors and the Board as a whole work effectively in meeting their responsibilities as described in the Board Charter. The Chairman will meet annually with each non-executive director to discuss individual performance. The Chair of the Audit Committee will meet annually with the Chairman to discuss the Chair's performance.

In addition to internal Board performance reviews, the Board will conduct externally facilitated performance reviews on a periodic basis, with the aim to conduct such reviews in every third year. These reviews will incorporate feedback from Executives and stakeholders beyond the Board. An externally facilitated performance review of Board performance was conducted in FY2013.

Corporate Governance Statement continued

All directors receive copies of all Committee Board packs, including the minutes for each Committee meeting. In addition, the Committee Chair provides an update at the following Board meeting on the activities of the Committee. The Board reviews and approves the Charters of each Committee on an annual basis.

The maximum aggregate amount of fees that may be paid to all SEEK non-executive directors each year is capped at $1,250,000, which was approved by shareholders at the 2011 AGM. The total fees (including superannuation) paid to non-executive directors during the reporting period was $728,075.

Further details on directors' remuneration are disclosed in the Remuneration Report.

Executive Remuneration and Performance Review

(Corporate Governance Principles and Recommendations: 1.2, 1.3, 8.3)

The performance of the Executive team including the CEO is assessed annually. Assessment is measured against the Company's performance rating system (SEEK Synergy), which is applied in relation to all SEEK employees. The performance of the Executive team is measured against quantifiable goals and objectives set at the start of the financial year, and the individual performance of the executive. Performance is also assessed as for all Company employees against the employee's fulfilment of the Company values.

In addition to this, the performance of the CEO is reviewed by the Board. The Chairman meets annually with the CEO to discuss individual performance.

Further details on CEO and Executive remuneration are disclosed in the Remuneration Report.

Diversity

(Corporate Governance Principles and Recommendations: 3.2, 3.3, 3.4, 3.5)

SEEK recognises the great value contributed to the organisation by the talent and diversity of its employees, bringing varied skills, cultural backgrounds and experience.

The Company's success is a reflection of the quality and skill of its people. SEEK has an energetic and dynamic workforce with passion and fresh ideas, able to innovate and produce strong business performance results – a key competitive advantage.

SEEK is committed to fostering this diversity by providing a work environment and culture in which all its employees are valued and treated with respect, and provided with equal access to opportunities.

SEEK values gender diversity in its workforce, as is evident from the strong female representation in the Company. In June 2013:

Role Category	Female Representation % (as at 30 June 2012)	Female representation % (as at 30 June 2013)
Female non-executive board directors of SEEK Ltd	25%	25%
Female executives of SEEK Ltd (direct reports to the CEO)	20%	14%
Combined representation of female Executives and Senior Managers (direct reports to the CEO and two levels removed from the CEO) within SEEK Ltd and its Australian subsidiaries, including Education businesses SEEK Learning and THINK	37%	41%
Overall female employees within SEEK Ltd and its Australian subsidiaries, including Education businesses SEEK Learning and THINK	54%	60%

Corporate Governance Statement continued

SEEK's FY2013 Measurable Objective

FY2013 Measurable Objective	Status @ 30 June 2013
Continuing to maintain or improve SEEK's high levels of female participation at senior management level at or above 37%.	This has been met. SEEK has improved SEEK's female participation at senior management level to 41% (as shown in the table above).

SEEK's FY2014 Measurable Objectives

FY2014 Measurable Objectives
Continue to maintain or improve SEEK's high levels of female participation at senior management levels at or above 37%.
Maintain principles of gender pay equity.

SEEK diversity initiatives and programs

In addition to its measurable objectives, SEEK maintains other initiatives and programs which enhance its commitment to gender and broader diversity principles, including:

- Ensuring that there is at least one viable female candidate on the shortlist for all senior management positions.
- Continuing its innovative programs (some of which are described in further detail below) to develop a diverse pool of SEEK employees, including women, to take on senior roles within the business, in senior management, executive and operational roles, and
- Organising programs for indigenous engagement and enhancing awareness and appreciation of cultural diversity for SEEK employees, including:
  - SEEK has entered a partnership with One Day Hill, a publishing company through which SEEK sponsors the production of indigenous storybooks for children.
  - SEEK is a member of Supply Nation, which provides SEEK with access to indigenous owned and run enterprises to permit diversity in the selection of SEEK suppliers.
  - The Cathy Freeman Foundation is one of SEEK's nominated charities as part of its Bright Futures Program. SEEK employees may make salary donations to the Bright Futures charities which are matched by a donation from the Company. In addition, SEEK employees participated in the August 2013 City to Surf fundraiser for the Foundation. SEEK will make a contribution to the fundraising target for this event. The funds will directly assist with the improvement of education outcomes for 100 indigenous students.
- Providing 14 weeks paid maternity leave and providing support programs to encourage women returning to the workplace.
- Empower Me lunches have been established and are hosted by an Executive on a quarterly basis, particularly aimed at providing a forum for discussion of professional and personal challenges facing female employees.
- It Gets Better campaign: In May 2013, a group of SEEK employees launched a video contribution to the It Gets Better global campaign. This video, produced with SEEK's support, shares the group's personal stories in support of the campaign, which aims to prevent youth suicide within the Gay, Lesbian, Bisexual, Transgender and Intersex (GLBTI) communities.

Corporate Governance Statement continued

SEEK Diversity Policy

SEEK's Diversity Policy is focused on providing flexible work practices to all its employees, male or female , to assist in the balancing of work, family and domestic responsibilities and to assist employees in pursuing their personal as well as professional development goals.

The Diversity Policy is available from the Investor section of the Company website at seek.com.au and includes:

- Flexible policies including unlimited access to sick and carer's leave
- Flexible working arrangements which include:
  - Compressed working week
  - Working from home
  - Part-time work
  - Job sharing
  - Purchased leave
  - Unpaid leave
- Employee education assistance
- Employee network and support groups
- Mentor programs matching participants with mentors from other business areas and the SEEK Connect program, an internal program in which the SEEK Culture Team organises various activities for groups of employees to meet employees from all areas of the business. Both programs provide diversity of insight and experience, as well as fostering SEEK's culture of inclusiveness.

Board support

SEEK's organisational goals and objectives on diversity are endorsed by the Board. On-going responsibility for the measuring and reporting of progress against SEEK's diversity objectives is undertaken by the Remuneration Committee, which will review progress on a regular basis. The Board will report on the Company's achievement of its measurable objectives in the SEEK Annual Report.

Share Trading Policy

SEEK's Share Trading Policy governs when its officers, defined as its directors, executives or senior managers, may deal in SEEK securities and the process which must be followed in respect of such dealings.

SEEK officers and their associates are not permitted to deal in SEEK securities (or in any financial products and associated products issued or created over SEEK securities by third parties) during defined Blackout Periods:

- between 1 January and one trading day following the announcement of the half year results, and
- between 1 July and one trading day following the announcement of the full year results.

At any time outside the Blackout Periods, officers may trade in SEEK securities where the officer:

- is not, at the time of the proposed dealing, in possession of any price sensitive information, and
- where the officer is a director, the director obtains the prior written clearance of the Chairman to deal in SEEK securities, or
- where the officer is not a director, the officer obtains the prior written clearance of the CFO or Company Secretary.

SEEK directors, executives or their associates are prohibited from entering into transactions in associated products which operate to limit the economic risk of security holdings in the Company over unvested entitlements.

SEEK directors and executives are only permitted to enter margin loans with the prior written approval of the Chairman. If approval is granted, in the case of any director or the CEO, the Continuous Disclosure Committee will review the terms of the margin loan to determine whether there are any material terms requiring disclosure to the market.

SEEK's share trading policy is available in the Investor section of the Company website, www.seek.com.au.

Board Committees

The Board is supported by a Remuneration Committee, Audit and Risk Management Committee and Nomination Committee. The Committees are comprised of independent non-executive directors. The members of these Committees at the date of this Report are:

	Board	Audit and Risk Management Committee	Remuneration Committee	Nomination Committee
N Chatfield	✓	✓	✓	✓
A R Bassat	✓	-	-	-
C B Carter	✓	✓	✓	✓
G Goldsmith	✓	✓	-	✓
D I Bradley	✓	-	✓	✓

For information on the skills, experience and expertise of the Committee members, please refer to page 14 of the Directors' Report. In relation to the number of meetings and attendance of members at the Committee meetings please refer to page 15 of the Directors' Report.

Remuneration Committee

(Corporate Governance Principles and Recommendations: 8.1, 8.2)

The Remuneration Committee comprises three members, all of whom are independent non-executive directors. It is chaired by Mr Colin Carter, an independent non-executive director of the SEEK Board. Other directors that are not members of the Committee and executives attend by invitation.

The Remuneration Committee Charter, which is available from the Company website, sets out its role and responsibilities. In summary, the Committee has the delegated responsibility from the SEEK Board to conduct detailed examination of the following matters:

- Remuneration packages and policies applicable to the CEO, non-executive directors, and where considered appropriate, Executives;
- Compliance with statutory responsibilities relating to remuneration disclosure;
- Review and approval of the design of equity-based plans including eligibility criteria, performance hurdles and proposed awards;
- Review and approval of budget and guidelines each year for annual performance review and salary review processes;
- Review and approval of decisions regarding where to position the Company relative to market remuneration levels and composition;
- Review policies relating to employee share and option plans;
- Review progress against SEEK's diversity objectives;
- Review the Company's superannuation plan and compliance with relevant laws and regulations;
- Review executive and director retirement and termination payments;
- Review and monitor fringe benefits;
- Monitor effective succession planning for the positions of CEO, non-executive directors and Executives.

Audit and Risk Management Committee

(Corporate Governance Principles and Recommendations: 4.1, 4.2, 4.3,4.4)

The Audit and Risk Management Committee (A&RMC) consists of three members, all of whom are independent non-executive directors. It is chaired by Mr Graham Goldsmith, an independent non-executive director. Other directors that are not members of the Committee, the external auditor and executives attend meetings by invitation.

The Audit and Risk Management Committee Charter, which is available from the Company website, sets out its role and responsibilities. In summary, the Committee has the delegated responsibility from the SEEK Board to conduct detailed examination of the following matters:

Financial Reporting

The primary responsibility of the Committee is to oversee the financial reporting process on behalf of the Board and to recommend to the Board appropriate actions in the interests of the integrity of financial reporting.

Statutory Financial Reports

- Review the statutory financial reports of the SEEK Group and become satisfied that the reports provide a true and fair view of the financial affairs of the SEEK Group.

Assessment of Systems of Financial Risk Management and Internal Control

- Oversight of SEEK Group's accounting and financial controls, for the purpose of forming a view as to the effectiveness of these controls, policies, procedures and programs.
- Oversight of the SEEK Group's accounting policies and methods for the purpose of forming a view as to the appropriateness (as opposed to the acceptability) of these policies and methods.
- Review all related party transactions involving the SEEK Group.
- Request reports as required from SEEK Management on the risk frameworks and controls within entities in which SEEK holds equity but not a controlling interest.

External Audit

- Recommend to the Board the appointment and remuneration (and, where appropriate, replacement) of the external auditor and the terms of their engagement.
- Agree with the external auditor the overall scope of the external audit, including identified risk areas and any additional procedures considered necessary.
- Monitor and periodically evaluate the effectiveness of the external auditor.

Independence of the External Auditor and Provision of Non-audit Services

- Periodically (at least once per annum) assess the independence of the external auditor
- Approve and review the External Auditor Independence Policy (refer to the separate policy available on the Company website) which regulates the provision of services by the external auditor, and monitor compliance of that policy.
- Recommend to the Board the appropriate disclosure in each year's Financial Report of the full details of fees paid to the external auditor, including an analysis of non-audit services
- Require that the lead external audit engagement partner be rotated every five years at a minimum.

Risk Oversight

Risk Management

- Review the SEEK Group's assessment of material risks and form an opinion on the adequacy and effectiveness of the risk assessment based on an evaluation of the rigour and suitability of the process undertaken.
- Consider the processes that management uses to design and assure controls and to measure their effectiveness together with Group risk reports from Management to form an opinion on the reliability of the risk assessment.

- Review the SEEK Group's risk profiles as developed by management and monitor emerging risks and changes in the SEEK Group's risk profile.

Effectiveness of the Risk Management Framework

Review, recommend to the Board, and oversee the operation of, risk management policies and procedures, so that there is, amongst other things:

- A procedure for identifying risks relevant to the SEEK Group's businesses and controlling their financial or non-financial impacts on the SEEK Group;
- An adequate system of internal control, risk management and safeguarding of assets;
- A system of reporting and investigating breaches of risk management policies and procedures;
- A review of internal control systems and the operational effectiveness of risk management policies and procedures;
- A culture of risk management and compliance throughout the SEEK Group; and
- Adequate resources to support the risk management function and enable proper remedial action to be taken to address areas of weakness.
- Review, recommend to the Board, and monitor the SEEK Group's Whistleblower Policy.
- Review and monitor the SEEK Group's risk management performance, including conducting specific investigations where necessary.
- Review and provide oversight on the Group's insurance policies.

Nomination Committee

(Corporate Governance Principles and Recommendations: 2.4, 2.6)

The Nomination Committee consists of all of the independent non-executive directors of the SEEK Board, comprising four members. It is chaired by the Chairman of the SEEK Board. The CEO and MD who is not a member of the Committee and other executives attend meetings by invitation.

The Nomination Committee Charter, which is available from the Company website, sets out its role and responsibilities. The Committee has the delegated responsibility from the SEEK Board to conduct detailed examination of the following matters:

- assessing and enhancing the necessary and desirable competencies of the Board and Chairman;
- reviewing the size and composition of the Board, including succession plans to enable an appropriate balance of skills, experience and expertise to be maintained;
- making recommendations to the Board on the appointment and removal of Directors;
- developing and reviewing the process for the evaluation of the performance of the Board, the Chairman and individual Directors;
- evaluating the performance of the Board, its Committees and Directors;
- ensuring that there is an appropriate induction process in place for new Directors and reviewing its effectiveness;
- reviewing the process for the selection and removal of Directors and assessing its effectiveness; and
- ensuring there is a continuing education program for directors in respect to compliance and governance issues.

The Board's nomination of existing directors for re-appointment is not automatic and is contingent on their past performance, contribution to the Company and the current and future needs of the Board and the Company.

Recognise and Manage Risk

(Corporate Governance Principles and Recommendations: 7.1, 7.2, 7.3, 7.4)

The Board views effective risk management as essential to achieving and maintaining its operational and strategic objectives. The Board is responsible for approving and reviewing the SEEK risk management strategy and policy, with the Audit and Risk Management Committee having delegated responsibility to conduct detailed review in a number of key risk areas as outlined in the A&RMC Charter (as set out on page 44). The active identification of risks and implementation of appropriate controls and mitigation measures are the responsibilities of Management.

SEEK's enterprise risk management framework is based on the international standard (AS/NZS ISO 31000:2009) for risk management.

Management has established a Group risk framework, and within this each business unit/department is required to profile its risk environment, control identification and operation. The outcomes of the risk profile across the Group are aggregated for reporting to the Executive and Audit and Risk Management Committee.

Internal control systems and procedures are monitored and reviewed by the Group Risk and Assurance Manager who reports to the Audit and Risk Management Committee and the Finance Director for Group and Employment. The Audit and Risk Management Committee provides oversight on the risk framework and aggregated risk profiles at the Group level, and monitors Management's response to internal risk and assurance reviews.

The Group risk function is independent of the external audit, has access to the Audit and Risk Management Committee and also has access to the Company executives and employees.

When considering the Audit and Risk Management Committee's review of financial reports, the Board receives a written statement signed by the CEO and MD, and the CFO, affirming that SEEK's financial reports give a true and fair view in all material respects of the Company's financial position and comply in all material respects with relevant accounting standards. The statement also confirms that the Company's financial reports are founded on a sound system of risk management and internal control and that the system is operating effectively in relation to the management of both financial reporting risks and the Company's material business risks.

SEEK's risk management policy is available in the Investor section of the Company website, www.seek.com.au.

Continuous Disclosure

(Corporate Governance Principles and Recommendations: 5.1, 5.2)

SEEK's Continuous Disclosure Policy sets out the key responsibilities for the Company employees in relation to continuous disclosure. The Policy is reviewed annually by the Board.

The Policy sets out SEEK's obligations under the ASX Listing Rules and the *Corporations Act 2001*. It refers to the type of information that requires disclosure. The policy also provides procedures for internal notification and external disclosure.

The Board is responsible for ensuring that SEEK complies with its continuous disclosure obligations. The CEO, CFO and Company Secretary (the Continuous Disclosure Committee) are responsible for determining what matters might be considered to be price sensitive and whether or not disclosure is required under the ASX Listing Rules.

A copy of the Company's Continuous Disclosure Policy is available in the Investor section of the Company website, www.seek.com.au

Communication with Shareholders

(Corporate Governance Principles and Recommendations: 6.1, 6.2)

SEEK is committed to transparency and openness in its communication with its shareholders. It works to keep shareholders fully informed regarding developments and important information affecting the Company.

The key channels currently utilised by SEEK to distribute information to shareholders include:

- the SEEK website;
- the Notice of AGM and explanatory memoranda;
- the Annual Report;
- Financial statements and accompanying presentations to the market, and
- ASX announcements.

AGM

The Annual General Meeting is a key opportunity for shareholders to hear the CEO and Chairman provide updates on Company performance, ask questions of the Board, and to express a view and vote on the various matters of Company business on the agenda. Shareholders may also ask questions of the Company's external auditors at the meeting. SEEK encourages its shareholders to attend its AGM. SEEK also commits to deal with shareholder queries in a respectful and timely manner whenever they are received by the Company.

Communications with analysts

The Company communication framework includes the following to ensure provision of equal access to material information:

- All discussions with analysts are conducted by or with the sanction of the CEO or the CFO, and are limited to explanation of previously disclosed material.
- Where information is likely to be price sensitive, in line with its legal obligations and Continuous Disclosure Policy, SEEK immediately discloses the information to the market.
- All formal SEEK analyst presentations are released to the market.
- Meetings with analysts to discuss financial results are not held from 1 January to release of the half year results, or from 1 July to release of the full year results.

Code of Conduct

(Corporate Governance Principles and Recommendations: 3.1, 3.5)

SEEK prides itself on creating and maintaining a vibrant and transparent employee culture which demonstrates the Company values of Honesty, Ownership, Teamwork , Passion and (added in FY2013) Action. The SEEK values form an integral part of the Company performance review and reward process (SEEK Synergy). All SEEK employees including executives are required to meet both their professional KPIs and a minimum performance rating evidencing their demonstration of the SEEK values for the relevant review period.

The SEEK code of conduct is available on the employee intranet. The SEEK code of conduct reflects the SEEK values to ensure a work environment and culture that complies with the law, is honest, respectful, equitable and professional.

Ethical and responsible decision making at SEEK is also promoted by an additional code of conduct for directors and executives, based on a code of conduct for directors prepared by the AICD. The code of conduct for directors and executives is found on the Company website.

SEEK has a Whistleblowers Policy available on in the Investor section of the Company website, www.seek.com.au. It is designed to support and protect employees who properly report non-compliant, illegal or unethical conduct by other employees. The aim of the Policy is to protect the confidentiality and position of employees wishing to raise matters which affect the fairness, legality or integrity of the Company.

SEEK Limited
ABN 46 080 075 314
Financial Report for 30 June 2013

Contents

Page

SEEK Limited
Consolidated Income Statement
For the year ended 30 June 2013

	Notes	2013 $'000	2012 $'000
Revenue from continuing operations	5	**626,619**	445,230
Other income	6	**160,910**	29,354
Operating expenses			
Direct cost of services		**(43,919)**	(35,394)
Sales and marketing		**(202,004)**	(134,420)
Business development		**(42,181)**	(25,313)
Operations and administration		**(129,345)**	(99,170)
Finance costs	7	**(29,296)**	(26,677)
Total operating expenses		**(446,745)**	(320,974)
Share of profits of associates and jointly controlled entity accounted for using the equity method	11(b)	**27,081**	30,871
Profit before income tax expense		**367,865**	184,481
Income tax expense	8(a)	**(54,189)**	(47,023)
Profit for the year		**313,676**	137,458
Profit is attributable to:			
Owners of SEEK Limited	20(b)	**300,079**	131,680
Non-controlling interests	20(c)	**13,597**	5,778
		313,676	137,458

Earnings per share for profit attributable to the ordinary equity holders of the Company:

		Cents	Cents
Basic earnings per share	33	**89.0**	39.1
Diluted earnings per share	33	**88.3**	38.9

The above consolidated income statement should be read in conjunction with the accompanying notes.

SEEK Limited
Consolidated Statement of Comprehensive Income
For the year ended 30 June 2013

	Notes	2013 $'000	2012 $'000
Profit for the year		**313,676**	137,458
Other comprehensive income			
Items that may be reclassified subsequently to profit or loss:			
Exchange differences on translation of foreign controlled operations		**142,360**	(14,234)
Exchange differences on translation of foreign associates	11(c)	**5,668**	(15,214)
(Losses)/gains on hedge contracts of controlled entities		**(22,227)**	536
Gains/(losses) on hedge contracts of associates (net of tax)	11(c)	**1,158**	223
Recycled foreign currency translation reserve on step acquisition	20(a)	**420**	33,137
Recycled cash flow hedge reserve on step acquisition	20(a)	**1,143**	(10,561)
Recycled foreign currency translation reserve on closure of foreign operation	20(a)	**-**	165
Income tax recognised in other comprehensive income	8(c)	**3,085**	3,001
Other comprehensive income for the year		**131,607**	(2,947)
Total comprehensive income for the year for SEEK Limited		**445,283**	134,511
Total comprehensive income for the year attributable to:			
Owners of SEEK Limited		**389,825**	135,271
Non-controlling interests		**55,458**	(760)
		445,283	134,511

The above consolidated statement of comprehensive Income should be read in conjunction with the accompanying notes.

SEEK Limited
Consolidated Balance Sheet
For the year ended 30 June 2013

	Notes	2013 $'000	2012 Restated* $'000
Current assets			
Cash and cash equivalents	9	**184,802**	92,703
Trade and other receivables	10	**82,618**	71,273
Other current financial assets	12(a)	**53,408**	630
Current tax assets		**52**	2,924
Total current assets		**320,880**	167,530
Non-current assets			
Investments accounted for using the equity method	11(b)	**152,379**	196,063
Plant and equipment	13	**31,532**	24,744
Intangible assets	14	**1,635,056**	987,008
Other non-current financial assets	12(b)	**33,788**	-
Deferred tax assets	8(d)	**30,385**	24,419
Total non-current assets		**1,883,140**	1,232,234
Total assets		**2,204,020**	1,399,764
Current liabilities			
Trade and other payables	15	**76,611**	51,551
Current borrowings	16(a)	**52,052**	-
Unearned income		**128,903**	61,680
Other financial liabilities	17	**43,650**	82,487
Current tax liabilities		**22,153**	19,376
Current provisions	18(a)	**33,491**	8,326
Total current liabilities		**356,860**	223,420
Non-current liabilities			
Non-current borrowings	16(b)	**436,788**	318,433
Deferred tax liabilities	8(e)	**86,286**	47,625
Non-current provisions	18(c)	**27,512**	39,153
Total non-current liabilities		**550,586**	405,211
Total liabilities		**907,446**	628,631
Net assets		**1,296,574**	771,133
Equity			
Contributed equity	19	**188,538**	186,525
Reserves	20(a)	**74,981**	(63,884)
Retained profits	20(b)	**513,488**	276,867
Non-controlling interests	20(c)	**519,567**	371,625
Total equity		**1,296,574**	771,133

* Refer to note 29(b) for details of restatement on the completion of acquisition accounting for Brasil Online and OCC.

The above consolidated balance sheet should be read in conjunction with the accompanying notes.

SEEK Limited
Consolidated Statement of Changes in Equity
For the year ended 30 June 2013

	Notes	Contributed equity $'000	Reserves $'000	Retained profits $'000	Total $'000	Non-controlling interests $'000	Total $'000
Balance at 1 July 2011		183,950	(71,208)	198,474	311,216	123,543	434,759
Profit for the year		-	-	131,680	131,680	5,778	137,458
Other comprehensive income		-	3,591	-	3,591	(6,538)	(2,947)
Total comprehensive income for the year		-	3,591	131,680	135,271	(760)	134,511
Transactions with owners in their capacity as owners:							
Contributions of equity, net of transaction costs and tax	19(b)	2,575	-	-	2,575	-	2,575
Dividends and distributions provided for or paid		-	-	(53,257)	(53,257)	(4,628)	(57,885)
Employee share option schemes		-	4,263	-	4,263	-	4,263
Purchase of shares on-market for employee share option schemes	20(a)(b)	-	(197)	(363)	(560)	-	(560)
Tax associated with employee share option schemes	8(c)	-	(333)	333	-	-	-
Non-controlling interests acquired on acquisition		-	-	-	-	253,470	253,470
Balance at 30 June 2012		186,525	(63,884)	276,867	399,508	371,625	771,133
Profit for the year		**-**	**-**	**300,079**	**300,079**	**13,597**	**313,676**
Other comprehensive income		**-**	**89,746**	**-**	**89,746**	**41,861**	**131,607**
Total comprehensive income for the year		**-**	**89,746**	**300,079**	**389,825**	**55,458**	**445,283**
Transactions with owners in their capacity as owners:							
Contributions of equity, net of transaction costs and tax	19(b)	**3,000**	**-**	**-**	**3,000**	**-**	**3,000**
Dividends provided for or paid		**-**	**-**	**(64,122)**	**(64,122)**	**(908)**	**(65,030)**
Employee share option schemes:							
- of parent entity		**-**	**5,524**	**-**	**5,524**	**-**	**5,524**
- of subsidiary		**-**	**2,806**	**-**	**2,806**	**-**	**2,806**
Purchase of shares on-market:							
- employee share option schemes		-	**(653)**	**(587)**	**(1,240)**	**-**	**(1,240)**
- treasury shares	19(b)	**(987)**	**-**	**-**	**(987)**	**-**	**(987)**
Exercise of share options in subsidiary		**-**	**118**	**-**	**118**	**88**	**206**
Tax associated with employee share option schemes	8(c)	**-**	**(1,251)**	**1,251**	**-**	**-**	**-**
Partial disposal of THINK to non-controlling interest		**-**	**(3,629)**	**-**	**(3,629)**	**17,461**	**13,832**
Exercise of JobsDB put option		**-**	**46,152**	**-**	**46,152**	**(31,017)**	**15,135**
Conversion of preference shares to ordinary shares		**-**	**-**	**-**	**-**	**74,312**	**74,312**
Non-controlling interests acquired on acquisition		**-**	**-**	**-**	**-**	**32,600**	**32,600**
Transfer of reserves		**-**	**52**	**-**	**52**	**(52)**	**-**
Balance at 30 June 2013		**188,538**	**74,981**	**513,488**	**777,007**	**519,567**	**1,296,574**

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

SEEK Limited
Consolidated Statement of Cash Flows
For the year ended 30 June 2013

	Notes	2013 $'000	2012 $'000
Cash flows from operating activities			
Receipts from customers (inclusive of goods and services tax)		**670,004**	470,316
Payments to suppliers and employees (inclusive of goods and services tax)		**(428,739)**	(270,049)
		241,265	200,267
Interest received		**6,417**	2,976
Interest paid		**(19,238)**	(20,182)
Settlement of civil, labour and legal cases		**(12,381)**	-
Income taxes paid		**(48,346)**	(41,793)
Net cash inflow from operating activities	32	**167,717**	141,268
Cash flows from investing activities			
Payments for investments in subsidiary, net of cash acquired	29	**(17,271)**	(147,372)
Payments for transaction costs on investments in subsidiaries		**(978)**	(188)
Dividends and distributions received from associates	11(c)	**13,591**	12,855
Payment for additional interest in associate and jointly controlled entity	11(b)	**(22,958)**	-
Payments for intangible assets		**(13,289)**	(8,213)
Payments for plant and equipment		**(9,902)**	(8,714)
Proceeds from the sale of plant and equipment		**-**	66
Net cash (outflow) from investing activities		**(50,807)**	(151,566)
Cash flows from financing activities			
Proceeds from borrowings		**149,335**	124,783
Repayment of borrowings		**(67,112)**	(83,000)
Payment for additional interest in subsidiary	17	**(79,835)**	-
Transaction costs on debt facilities		**(4,597)**	-
Finance lease payments		**(90)**	-
Purchase of shares for employee share options plans		**(1,240)**	(597)
Proceeds from issues of shares	19	**3,000**	2,575
Proceeds received on exercise of employee share options in subsidiaries		**206**	-
On-market purchase of treasury shares	19	**(987)**	-
Dividends paid to members of the parent	21	**(64,122)**	(53,257)
Dividends and distributions paid to non-controlling interests		**(2,066)**	(3,433)
Proceeds from sale of ownership interest in subsidiary	25	**13,832**	-
Contributions from non-controlling interests	17	**15,135**	16,980
Payment for other financing arrangements		**(2,274)**	-
Net cash inflow from financing activities		**(40,815)**	4,051
Net increase/(decrease) in cash and cash equivalents		**76,095**	(6,247)
Cash and cash equivalents at the beginning of the financial year		**92,703**	98,291
Effect of exchange rate changes on cash and cash equivalents		**16,004**	659
Cash and cash equivalents at the end of the financial year	9	**184,802**	92,703

The above consolidated statement of cash flows should be read in conjunction with the accompanying notes.

1. Summary of significant accounting policies

The principal accounting policies adopted in the preparation of these consolidated financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated. The financial statements are for the consolidated entity consisting of SEEK Limited and its subsidiaries.

(a) Basis of preparation

These general purpose financial statements have been prepared in accordance with Australian Accounting Standards and Interpretations issued by the Australian Accounting Standards Board and the *Corporations Act 2001*. SEEK Limited is a for-profit entity for the purpose of preparing the financial statements.

At 30 June 2013 the Group's current liabilities exceed its current assets by $35,980,000. This financial report has been prepared on a going concern basis as the Group has sufficient committed facilities in place so that the business can meet its liabilities as they fall due for twelve months from 21 August 2013. Currently the Group has undrawn facilities of $70,000,000. For further details please refer to note 2.

(i) Compliance with IFRS

The consolidated financial statements of SEEK Limited group comply with International Financial Reporting Standards (IFRS) as issued by the International Accounting Standards Board (IASB).

(ii) Historical cost convention

These financial statements have been prepared under the historical cost convention, as modified by the revaluation of available-for-sale financial assets, financial assets and liabilities (including derivative instruments) at fair value through profit or loss, certain classes of property, plant and equipment.

(iii) Critical accounting estimates

The preparation of financial statements requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements, are disclosed in note 3.

(b) Principles of consolidation

(i) Subsidiaries

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of SEEK Limited ('Company' or 'parent entity') as at 30 June 2013 and the results of all subsidiaries for the year then ended. SEEK Limited and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases.

The acquisition method of accounting is used to account for business combinations by the Group (refer to note 1(g)).

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated income statement, consolidated statement of comprehensive income, consolidated balance sheet and consolidated statement of changes in equity respectively.

Investments in subsidiaries are accounted for at cost in the individual financial statements of the investing entity.

1. Summary of significant accounting policies continued

(b) Principles of consolidation continued

(ii) Associates

Associates are all entities over which the Group has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting, after initially being recognised at cost. The Group's investment in associates includes goodwill identified on acquisition.

The Group's share of its associates' post-acquisition profits or losses is recognised in profit or loss, and its share of post-acquisition other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. Dividends receivable from associates are recognised as reduction in the carrying amount of the investment.

When the Group's share of losses in an associate equals or exceeds its interest in the associate, including any other unsecured long-term receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

(iii) Joint venture entities

The interest in a joint venture partnership is accounted for using the equity method after initially being recognised at cost. Under the equity method, the share of the profits or losses of the partnership is recognised in profit or loss, and the share of the post-acquisition movement in other comprehensive income is recognised in other comprehensive income. Any cash contributions made to the jointly controlled entity are recognised in the Group's financial statements as an investment in the jointly controlled entity. Details relating to the partnership are set out in note 11(e).

(iv) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in a separate reserve within equity attributable to owners of SEEK Limited.

When the Group ceases to have control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, jointly controlled entity or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in a jointly-controlled entity or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(c) Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The CODM, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Chief Executive Officer.

1. Summary of significant accounting policies continued

(d) Foreign currency translation

(i) Functional and presentation currency
Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial statements are presented in Australian dollars, which is SEEK Limited's functional and presentation currency.

(ii) Transactions and balances
Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except when they are deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or are attributable to part of the net investment in a foreign operation.

Where foreign currency denominated borrowings have been designated as a hedge for accounting purposes and the hedge remains effective, exchange gains and losses are recorded in the net investment hedge reserve. Otherwise exchange gains and losses are presented in the consolidated income statement, within 'finance costs'. All other foreign exchange gains and losses are presented in the income statement on a net basis within other income or other expenses.

(iii) Group companies
The results and financial position of all Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:
- assets and liabilities for each balance sheet presented are translated at the closing rate at the date of that balance sheet;
- income and expenses for each income statement and statement of comprehensive income are translated at average exchange rates (unless this is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the dates of the transactions); and
- all resulting exchange differences are recognised in other comprehensive income.

On consolidation, exchange differences arising from the translation of any net investment in foreign entities, and of borrowings and other financial instruments designated as hedges of such investments, are recognised in other comprehensive income. When a foreign operation is sold or any borrowings forming part of the net investment are repaid, the associated exchange differences are reclassified to profit or loss, as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

(e) Revenue recognition
Revenue is measured at the fair value of the consideration received or receivable. Amounts disclosed as revenue are net of returns, trade allowances, rebates and amounts collected on behalf of third parties.

The Group recognises revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and specific criteria have been met for each of the Group's activities as described below. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement.

Revenue is recognised for the major business activities as follows:

(i) Job advertisements
Revenues from the provision of job advertisements are recognised in the period over which the advertisements are placed.

(ii) Banner advertising
Revenues from banner advertising on the Group's websites are generated based on a fixed price which is based on the impressions each banner receives. These revenues are recognised in the period that the impressions occur.

1. Summary of significant accounting policies continued

(e) Revenue recognition continued

(iii) Brasil Online: CV online revenue

CV online is Brasil Online's primary service for job seekers and its principle source of revenue, whereby jobseekers are permitted to apply for job opportunities posted on the databases, and to post resumes online for review by employers and recruiting agencies. CV online has billing cycles that range from one month to one year, and job seekers' credit cards or bank accounts are charged. Revenue from services provided to jobseekers through CV online is recognised over the service period.

(iv) Education: classroom-based training

Revenues from classroom-based training are recognised from course commencement and brought to account on a pro-rata basis over the duration of the relevant teaching period.

(v) Education: distance learning

Revenues from distance learning are apportioned between an amount recognised on receiving the course materials and an amount over the period to completion. This has been determined with reference to the proportion of costs incurred upfront to the total estimated cost of providing the services.

(vi) Education: commission revenue

Commission revenue is recognised when the customer obtains unconditional access to the course material or when revenue can be reliably estimated. Revenue that relates to agency/principal relationships is recognised on a net basis.

(vii) Interest income

Interest income is recognised on a time proportion basis using the effective interest method (EIR), which is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or liability. When a receivable is impaired, the Group reduces the carrying amount to its recoverable amount, being the estimated future cash flow discounted at the original effective interest rate of the instrument, and continues unwinding the discount as interest income.

(viii) Dividends

Dividends are recognised as revenue when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits. However, the investment may need to be tested for impairment as a consequence, refer note 1(k).

(ix) Royalty income

Royalty income relates to intercompany charges for the use of intellectual property. It is recognised on an accruals basis and is reviewed annually.

(f) Income tax

The income tax expense or revenue for the period is the tax payable on the current period's taxable income based on the applicable tax rate for each jurisdiction adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period in the countries where the Company's subsidiaries and associates operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. However, deferred tax liabilities are not recognised if they arise from the initial recognition of goodwill. Deferred income tax is also not accounted for if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

1. Summary of significant accounting policies continued

(f) Income tax continued

Deferred tax assets are recognised for deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax liabilities and assets are not recognised for temporary differences between the carrying amount and tax bases of investments in foreign operations where the Company is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Tax benefits acquired as part of a business combination, but not satisfying the criteria for separate recognition at that date, would be recognised subsequently if new information about facts and circumstances changed. The adjustment would either be treated as a reduction to goodwill (as long as it does not exceed goodwill) if it was incurred during the measurement period or in profit or loss.

(g) Business combinations

The acquisition method of accounting is used to account for all business combinations, regardless of whether equity instruments or other assets are acquired. The consideration transferred for the acquisition of a subsidiary comprises the fair values of the assets transferred, the liabilities incurred and the equity interests issued by the Group. The consideration transferred also includes the fair value of any asset or liability resulting from a contingent consideration arrangement and the fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are, with limited exceptions, measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net identifiable assets.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree over the fair value of the net identifiable assets acquired is recorded as goodwill. If those amounts are less than the fair value of the net identifiable assets of the subsidiary acquired and the measurement of all amounts has been reviewed, the difference is recognised directly in profit or loss as a bargain purchase.

Where settlement of any part of cash consideration is deferred, the amounts payable in the future are discounted to their present value as at the date of exchange. The discount rate used is the entity's incremental borrowing rate, being the rate at which a similar borrowing could be obtained from an independent financier under comparable terms and conditions.

Contingent consideration is classified either as equity or a financial liability. Amounts classified as a financial liability are subsequently re-measured to fair value with changes in fair value recognised in profit or loss.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gain or loss is recognised in profit or loss.

Acquired deferred tax assets recognised after the initial acquisition accounting will increase the Group's net profit after tax.

1. Summary of significant accounting policies continued

(h) Impairment of assets

Goodwill and intangible assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment, or more frequently if events or changes in circumstances indicate that they might be impaired. Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units). Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting period.

(i) Cash and cash equivalents

For the purposes of presentation in the statement of consolidated cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

(j) Trade receivables

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. This provision includes amounts that are not considered to be recoverable from debtors and amounts that are expected to be credited to debtors. Trade receivables are generally due for settlement within 30 days. They are presented as current assets unless collection is not expected for more than 12 months after the reporting date.

Collectability of trade receivables is reviewed on an ongoing basis. Debts which are known to be uncollectible are written off by reducing the carrying amount directly. A provision for impairment of trade receivables is used when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments (more than 30 days overdue) are considered indicators that the trade receivable is impaired. The amount of the impairment allowance is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. Cash flows relating to short-term receivables are not discounted if the effect of discounting is immaterial. In addition, the trade receivables balances are considered for credit notes that are expected to be raised against individual and collective balances.

The amount of the provision relating to non-collectible items is recognised in the consolidated income statement in 'operations and administration' expense. The amount of the provision for amounts that are expected to be credited is recognised in the consolidated income statement in 'revenue from continuing operations'. Trade receivables which are known to be uncollectible are written off against the provision for impairment. Subsequent recoveries of amounts previously written off to the provision for impairment are credited against 'operations and administration' expense in the consolidated income statement.

1. Summary of significant accounting policies continued

(k) Investments and other financial assets

Classification

The Group classifies its financial assets in the following categories: financial assets at fair value through profit or loss, loans and receivables, held-to-maturity investments, and available-for-sale financial assets. The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition and, in the case of assets classified as held-to-maturity, re-evaluates this designation at each reporting date.

(i) Financial assets at fair value through profit or loss

Financial assets at fair value through profit or loss are financial assets held for trading. A financial asset is classified in this category if acquired principally for the purpose of selling in the short term. Derivatives are classified as held for trading unless they are designated as hedges. Assets in this category are classified as current assets if they are expected to be settled within 12 months; otherwise they are classified as non-current. Financial assets at fair value through profit and loss are carried in the statement of financial position at fair value with net changes in fair value presented as 'finance costs' in the consolidated income statement.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They arise when the Group provides money, goods or services directly to a debtor with no intention of selling the receivable. They are included in current assets, except for those with maturities greater than 12 months after the reporting period which are classified as non-current assets. Loans and receivables are included in trade and other receivables (note 10) in the consolidated balance sheet. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

(iii) Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets quoted in the active market with fixed or determinable payments and fixed maturities that the Group's management has the positive intention and ability to hold to maturity. If the Group were to sell other than an insignificant amount of held-to maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. Held-to-maturity financial assets are included in non-current assets, except for those with maturities less than 12 months from the end of the reporting period, which would be classified as current assets. After initial measurement, held-to-maturity investments are measured at amortised cost using the EIR, less impairment. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR.

(iv) Available-for-sale financial assets

Available-for-sale financial assets, comprising principally marketable equity securities, are non-derivatives that are either designated in this category or not classified in any of the other categories. They are included in non-current assets unless the investment matures or management intends to dispose of the investment within 12 months of the end of the reporting period. Investments are designated as available-for-sale if they do not have fixed maturities and fixed or determinable payments and management intends to hold them for the medium to long term.

Recognition and derecognition

Regular purchases and sales of investments are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Investments are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value and transaction costs are expensed in the consolidated income statement. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

When securities classified as available-for-sale are sold or impaired, the accumulated fair value adjustments recognised in equity are included in the consolidated income statement as gains and losses from investment securities.

1. Summary of significant accounting policies continued

(k) Investments and other financial assets continued

Measurement
At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Loans and receivables and held-to-maturity investments are subsequently carried at amortised cost using the effective interest method.

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Gains or losses arising from changes in the fair value of the 'financial assets at fair value through profit or loss' category are presented in profit or loss within other income or other expenses in the period in which they arise. Dividend income from financial assets at fair value through profit or loss is recognised in profit or loss as part of revenue from continuing operations when the group's right to receive payments is established. Interest income from these financial assets is included in the net gains/(losses).

Changes in the fair value of monetary securities denominated in a foreign currency and classified as available-for-sale are analysed between translation differences resulting from changes in amortised cost of the security and other changes in the carrying amount of the security. The translation differences related to changes in the amortised cost are recognised in profit or loss, and other changes in carrying amount are recognised in other comprehensive income. Changes in the fair value of other monetary and non-monetary securities classified as available-for-sale are recognised in other comprehensive income. Details on how the fair value of financial instruments is determined are disclosed in note 2.

Fair value
The fair values of quoted investments are based on current bid prices. If the market for a financial asset is not active (and for unlisted securities), the Group establishes fair value by using commonly used valuation techniques. These include the use of recent arm's length transactions, reference to other instruments that are substantially the same, discounted cash flow analysis, and option pricing models making maximum use of market inputs and relying as little as possible on entity specific inputs.

Impairment
The Group assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated. In the case of equity investments classified as available-for-sale, a significant or prolonged decline in the fair value of the security below its cost is considered an indicator that the assets are impaired.

(l) Derivatives and hedging activities
Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently remeasured to their fair value at each reporting period. The accounting for subsequent changes in fair value depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged. The Group designates certain derivatives as either:

i. hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge)
ii. hedges of a particular risk associated with the cash flows of recognised assets and liabilities and highly probable forecast transactions (cash flow hedges), or
iii. hedges of a net investment in a foreign operation (net investment hedges).

1. Summary of significant accounting policies continued

(l) Derivatives and hedging activities continued

The Group documents at the inception of the hedging transaction the relationship between hedging instruments and hedged items, as well as its risk management objective and strategy for undertaking various hedge transactions. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions have been and will continue to be highly effective in offsetting changes in fair values or cash flows of hedged items.

Movements in the hedging reserve in shareholders' equity are shown in note 20. The full fair value of a hedging derivative is classified as a non-current asset or liability when the remaining maturity of the hedged item is more than 12 months; it is classified as a current asset or liability when the remaining maturity of the hedged item is less than 12 months.

(i) Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in profit or loss, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk. The gain or loss relating to the effective portion of interest rate swaps hedging fixed rate borrowings is recognised in profit or loss within 'finance costs', together with the changes in the fair value of the hedge fixed rate borrowings attributable to interest rate risk. The gain or loss relating to the ineffective portion is recognised in profit or loss within 'other income' or 'operating and administration expenses'.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to profit or loss over the period to maturity using a recalculated effective interest rate.

(ii) Cash flow hedge

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated in reserves in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within 'other income' or 'operating and administration' expenses.

Amounts accumulated in equity are reclassified to profit or loss in the periods when the hedged item affects profit or loss. The gain or loss relating to the effective portion of interest rate swaps hedging variable rate borrowings is recognised in profit or loss within 'finance costs'.

The gain or loss relating to the effective portion of other derivative instruments, where the underlying exposure is not related to funding the Company, is recognised within profit or loss within other income or 'operations and administration' expense.

When a hedging instrument expires or is sold or terminated, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately reclassified to profit or loss.

(iii) Net investment hedges

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges.

Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income and accumulated in reserves in equity. The gain or loss relating to the ineffective portion is recognised immediately in profit or loss within 'other income' or 'operating and administration' expenses.

Gains and losses accumulated in equity are reclassified to profit or loss when the foreign operation is partially disposed of or sold.

(iv) Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in profit or loss and are included in 'other income' or 'operating and administration' expenses.

1. Summary of significant accounting policies continued

(m) Plant and equipment

Plant and equipment is stated at historical cost less depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Cost may also include transfers from equity of any gains or losses on qualifying cash flow hedges of foreign currency purchases of plant and equipment.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Depreciation on assets is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives, as follows:

- Plant and equipment: three to ten years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount (note 1(h)).

Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in profit or loss.

(n) Intangible assets

(i) Goodwill

Goodwill is measured as described in note 1(g). Goodwill on acquisitions of subsidiaries is included in intangible assets. Goodwill on acquisitions of associates is included in investments in associates. Goodwill is not amortised but it is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segments (note 14).

(ii) Brand and licences

Brands and licences are carried at cost less any impairment losses and are not amortised. Instead, they are tested for impairment annually, or more frequently if events or changes in circumstances indicate that they might be impaired, and are carried at cost or fair value less accumulated impairment losses.

(iii) Course development and accreditation

Costs incurred on developing and designing courses are recognised as an expense unless it is probable that the course will generate future economic benefits and its cost can be measured reliably. Course development expenditure is recognised as an asset at cost less any impairment losses. Once delivery of the course to which the development costs relate has commenced the associated costs are amortised over the life of the accreditation, which is five years.

(iv) Customer relationships

Acquired customer relationships have a finite useful life and are carried at fair value at acquisition date less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of the asset over its estimated useful life, which is between one and six years.

1. Summary of significant accounting policies continued

(n) Intangible assets continued

(v) Computer software and website development

Costs incurred in acquiring, developing and implementing new websites or software are recognised as intangible assets only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The expenditure capitalised comprises all directly attributable costs, including costs of materials, services, licences and direct labour. Software has a finite useful life and is carried at cost less accumulated amortisation and impairment losses.

Amortisation is calculated using the straight-line method to allocate the cost of software over their estimated useful lives, which is between three and six years.

Website developments have a finite useful life and are carried at cost less accumulated amortisation and impairment losses. Amortisation is calculated using the straight-line method to allocate the cost of website development over their estimated useful lives, which is three years.

(vi) Work in progress

Work in progress (WIP) represents intangible assets of other classes not yet put into use. These assets are amortised from the date of completion over their estimated useful life according to the amortisation policies above.

(o) Trade and other payables

These amounts represent liabilities for goods and services provided to the group prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months from the reporting date. They are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest method.

(p) Leases

(i) Finance lease

Leases of plant and equipment where the Group, as lessee, has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lease's inception at the fair value of the leased property or, if lower, the present value of the minimum lease payments. The corresponding rental obligations, net of finance charges, are included in other short-term and long-term payables. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant and equipment acquired under finance leases is depreciated over the asset's useful life or over the shorter of the asset's useful life and the lease term if there is no reasonable certainty that the group will obtain ownership at the end of the lease term.

(ii) Operating lease

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Group as lessee are classified as operating leases. Leases are made up of operating leases of property. Payments made under operating leases (net of any incentives received from the lessor) are charged to the consolidated income statement on a straight-line basis over the period of the lease. Benefits that are provided to the Group as an incentive to enter into a lease arrangement are recognised as a liability and amortised on a straight-line basis over the life of the lease.

(q) Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in profit or loss over the period of the borrowings using the effective interest method. Fees paid on the establishment of loan facilities, which are not an incremental cost relating to the actual draw-down of the facility, are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw down occurs. To the extent there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is amortised on a straight-line basis over the term of the facility.

1. Summary of significant accounting policies continued

(q) Borrowings continued

Borrowings are removed from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as other income or finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

(r) Provisions

Provisions for legal claims and make-good obligations are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses. Make-good provisions are amortised through profit or loss over the life of the lease.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense.

(s) Employee benefits

(i) Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave expected to be settled within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' service up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liability for annual leave and accumulating sick leave is recognised in the provision for employee benefits. All other short-term employee benefit obligations are presented as payables.

(ii) Long service leave

The liability for long service leave which is not expected to be settled within 12 months after the end of the period in which the employees render the related service is recognised in the provision for employee benefits and measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. Consideration is given to expected future wage and salary levels, experience of employee departures and periods of service. Expected future payments are discounted using market yields at the end of the reporting period on government bonds with terms and currencies that match, as closely as possible, the estimated future cash outflows.

The obligations are presented as current liabilities in the balance sheet if the entity does not have an unconditional right to defer settlement for at least 12 months after the reporting date, regardless of when the actual settlement is expected to occur.

(iii) Retirement benefit obligations

All employees of the Group in Australia and New Zealand are entitled to benefits from the Group's superannuation plan on retirement, disability or death or can direct the Group to make contributions to a defined contribution plan of their choice. All employees in Australia and New Zealand are party to a defined contribution scheme and receive fixed contributions from Group companies and the Group's legal or constructive obligation is limited to these contributions. Contributions to defined contribution section of the Group's superannuation plan and other independent defined contribution superannuation funds are recognised as an expense as they become payable. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payment is available.

Employees of subsidiaries of SEEK Limited who are located outside of Australia and New Zealand are entitled to benefits as outlined in local company policies.

1. Summary of significant accounting policies continued

(s) Employee benefits continued

(iv) Share-based payments

Share-based compensation benefits are provided to employees via the SEEK Performance Rights and Options Plan ("PROP"). Information relating to these schemes is set out in the Remuneration Report.

The fair value of rights and options granted under the SEEK PROP is recognised as an employee benefit expense over the period during which the employees become unconditionally entitled to the rights and options with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the rights and options granted, which includes any market performance conditions and the impact of any non-vesting conditions but excludes the impact of any service and non-market performance vesting conditions. Non-market vesting conditions are included in assumptions about the number of options that are expected to vest which are revised at the end of each reporting period. The impact of the revision to original estimates, if any, is recognised in the consolidated income statement, with a corresponding adjustment to equity.

The fair value is measured at grant date and the expense recognised over the life of the plan. The fair value is independently determined using a Black-Scholes or similar option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk-free interest rate for the term of the option.

(v) Profit sharing and bonus plans

The Group recognises a liability and an expense for bonuses and profit-sharing based on a formula that takes into consideration the profit attributable to the company's shareholders after certain adjustments and an individual's personal performance. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

(t) Contributed equity

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares, performance rights or options are shown in equity as a deduction, net of tax, from the proceeds. Incremental costs directly attributable to the issue of new shares or options for the acquisition of a business are not included in the cost of the acquisition as part of the purchase consideration.

Where any group company purchases the Company's equity instruments, for example as the result of a share buy-back or a share-based payment plan, the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the owners of SEEK Limited as treasury shares until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the owners of SEEK Limited.

(u) Dividends

Provision is made for the amount of any dividend declared, being appropriately authorised and no longer at the discretion of the entity, on or before the end of the reporting period but not distributed at the end of the reporting period.

1. Summary of significant accounting policies continued

(v) Earnings per share

(i) Basic earnings per share

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

(ii) Diluted earnings per share

Diluted earnings per share adjusts the figures used in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of shares assumed to have been issued for no consideration in relation to dilutive potential ordinary shares.

(w) Goods and Services Tax (GST) and Valued Added Tax (VAT)

Revenues, expenses and assets are recognised net of the amount of associated GST and VAT, unless the GST and VAT incurred is not recoverable from the taxation authority. In this case it is recognised as part of the cost of acquisition of the asset or as part of the expense.

Receivables and payables are stated inclusive of the amount of GST and VAT receivable or payable. The net amount of GST and VAT recoverable from, or payable to, the taxation authority is included within trade and other receivables or trade and other payables in the consolidated balance sheet.

Cash flows are presented on a gross basis. The GST and VAT components of cash flows arising from investing or financing activities which are recoverable from, or payable to the taxation authority, are presented as operating cash flows.

Commitments and contingencies are disclosed net of the amount of GST and VAT recoverable from, or payable to, the taxation authority.

(x) Rounding of amounts

The company is of a kind referred to in Class Order 98/100, issued by the Australian Securities & Investments Commission, relating to the "rounding off" of amounts in the financial statements. Amounts in the financial statements have been rounded off in accordance with that Class Order to the nearest thousand dollars, or in certain cases, the nearest dollar.

1. Summary of significant accounting policies continued

(y) Parent entity financial information

The financial information for the parent entity, SEEK Limited, disclosed in note 35 has been prepared on the same basis as the consolidated financial statements, except as set out below.

(i) Investments in subsidiaries, associates and joint venture entities

Investments in subsidiaries, associates and joint venture entities are accounted for at cost in the financial statements of SEEK Limited. Dividends received from associates are recognised in the parent entity's profit or loss when its right to receive the dividend is established, rather than being deducted from the carrying amount of these investments.

(ii) Income tax consolidation legislation

SEEK Limited and its wholly-owned Australian entities have elected to form an income tax consolidated group.

SEEK Limited (as the head entity) and its wholly-owned Australian entities (as members of the SEEK income tax consolidated group) account for their own current and deferred tax amounts. These tax amounts are measured as if each entity in the income tax consolidated group continues to be a stand alone taxpayer in its own right.

In addition to its own current and deferred tax amounts, SEEK Limited also recognises the current tax liabilities (or assets) and the deferred tax assets arising from unused tax losses and unused tax credits assumed from its wholly-owned entities in the income tax consolidated group.

The entities have also entered into a tax funding agreement under which they fully compensate SEEK Limited for any current tax payable assumed and are compensated by SEEK Limited for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to SEEK Limited under the income tax consolidation legislation. The funding amounts are determined by reference to the amounts recognised in the wholly-owned entities' financial statements.

The amounts receivable/payable under the tax funding agreement are due upon receipt of the funding advice from the head entity, which is issued as soon as practicable after the end of each financial year. The head entity may also require payment of interim funding amounts to assist with its obligations to pay tax instalments.

Assets or liabilities arising under the tax funding agreement with the income tax consolidated entities are recognised as current amounts receivable from or payable to other entities in the group.

Any difference between the amounts assumed and amounts receivable or payable under the tax funding agreement are recognised as a contribution to (or distribution from) entities within the SEEK income tax consolidated group.

(iii) Financial guarantees

Where the parent entity has provided financial guarantees in relation to loans and payables of subsidiaries for no compensation, the fair values of these guarantees are accounted for as contributions and recognised as part of the cost of the investment.

(z) New and amended Accounting Standards and Interpretations

(i) New and amended Accounting Standards and Interpretations issued and effective

The Group has adopted the following new and amended Accounting Standards and Interpretations which were applicable as disclosed in the table below. Adoption of these new and amended Accounting Standards and Interpretations has not had a material impact on the Company or the Group.

Summary	Application date of standard	Application date for Group
AASB 2011-9 – *Amendments to Australian Accounting Standards – Presentation of Other Comprehensive Income* This standard requires entities to group items presented in other comprehensive income on the basis of whether they might be reclassified subsequently to profit or loss and those that will not.	1 July 2012	1 July 2012

1. Summary of significant accounting policies continued

(z) New and amended Accounting Standards and Interpretations continued

(ii) Accounting standards issued but not yet effective

Certain new accounting standards and interpretations have been published that are not mandatory for 30 June 2013 reporting periods and have not been early adopted by the Group. Initial application of the following Standards and Interpretations will not affect any of the amounts recognised in the financial report, but may change the disclosures presently made in relation to the Group.

The Group's interpretation of the impact of these new standards is set out below:

Summary	**Application date of standard**	**Application date for Group**
AASB 10 - *Consolidated Financial Statements* AASB 10 establishes a new control model that applies to all entities. It replaces parts of AASB 127 *Consolidated and Separate Financial Statements* dealing with the accounting for consolidated financial statements and UIG-112 *Consolidation – Special Purpose Entities*. The new control model broadens the situations when an entity is considered to be controlled by another entity and includes new guidance for applying the model to specific situations.	1 January 2013	1 July 2013
AASB 11 - *Joint Arrangements* AASB 11 replaces AASB 131 *Interests in Joint Ventures* and UIG-113 *Jointly- controlled Entities – Non-monetary Contributions by Ventures*. AASB 11 uses the principle of control in AASB 10 to define joint control, and therefore the determination of whether joint control exists may change. It removes the option to account for jointly controlled entities (JCEs) using proportionate consolidation. Instead, accounting for a joint arrangement is dependent on the nature of the rights and obligations arising from the arrangement. Joint ventures that give the venturers a right to the net assets is accounted for using the equity method.	1 January 2013	1 July 2013
AASB 12 - *Disclosure of Interests in Other Entities* AASB 12 includes all disclosures relating to an entity's interests in subsidiaries, joint arrangements, associates and structures entities. New disclosures have been introduced about the judgements made by management to determine whether control exists, and to require summarised information about joint arrangements, associates and structured entities and subsidiaries with non-controlling interests.	1 January 2013	1 July 2013
AASB 13 - *Fair Value Measurement* and AASB 2011-8 A*mendments to Australian Accounting Standards arising from AASB 13* AASB 13 establishes a single source of guidance for determining the fair value of assets and liabilities. AASB 13 does not change when an entity is required to use fair value, but rather, provides guidance on how to determine fair value when fair value is required or permitted. Application of this definition may result in different fair values being determined for the relevant assets. AASB 13 also expands the disclosure requirements for all assets or liabilities carried at fair value. This includes information about the assumptions made and the qualitative impact of those assumptions on the fair value determined.	1 January 2013	1 July 2013
AASB 119 - *Employee Benefit,* AASB 2011-10 *Amendments to Australian Accounting Standards arising from AASB 119 (September 2011)* and AASB 2011-11 *Amendments to AASB 119 (September 2011) arising from Reduced Disclosure Requirements* The revised standard changes the definition of short-term employee benefits. The distinction between short-term and other long-term employee benefits is now based on whether the benefits are expected to be settled wholly within 12 months after the reporting date.	1 January 2013	1 July 2013
AASB 2012-2 - Amendments to Australian Accounting Standards - *Disclosures - Offsetting Financial Assets and Financial Liabilities* AASB 2012-2 principally amends AASB 7 *Financial Instruments: Disclosures* to require disclosure of the effect or potential effect of netting arrangements. This includes rights of set-off associated with the entity's recognised financial assets and liabilities on the entity's financial position, when the offsetting criteria of AASB 132 are not all met.	1 January 2013	1 July 2013

1. Summary of significant accounting policies continued

(z) New and amended Accounting Standards and Interpretations continued

AASB 2012-5 - Amendments to Australian Accounting Standards arising from Annual Improvements 2009-2011 Cycle AASB 2012-5 makes amendments resulting from the 2009-2011 Annual Improvements Cycle. The standard addresses a range of improvements, including the following: • Repeat application of AASB 1 is permitted (AASB 1) • Clarification of the comparative information requirements when an entity provides a third balance sheet (AASB 101 *Presentation of Financial Statements*).	1 January 2013	1 July 2013
AASB 2011-4 - Amendments to Australian Accounting Standards to *Remove Individual Key Management Personnel Disclosure Requirements* removes the individual KMP disclosure requirements for all disclosing entities in relation to equity holdings, loans and other related party transactions.	1 July 2013	1 July 2013
AASB 2012-3 - Amendments to Australian Accounting Standards - *Offsetting Financial Assets and Financial Liabilities* AASB 2012-3 adds application guidance to AASB 132 *Financial Instruments: Presentation* to address inconsistencies identified in applying some of the offsetting criteria of AASB 132, including clarifying the meaning of "currently has a legally enforceable right of set-off" and that some gross settlement systems may be considered equivalent to net settlement.	1 January 2014	1 July 2014
AASB 2012-2 Amendments to AASB 136 *Recoverable Amount Disclosures for Non-Financial Assets* The AASB has made small changes to some of the disclosures that are required under AASB 136 Impairment of Assets. These may result in additional disclosures if the group recognises an impairment loss or the reversal of an impairment loss during the period. They will not affect any of the amounts recognised in the financial statements.	1 January 2014	1 July 2014
AASB 9 - *Financial Instruments* AASB 9 includes requirements for the classification and measurement of financial assets. It was further amended by AASB 2010-7 to reflect amendments to the accounting for financial liabilities and by AASB 2012-6 to delay the mandatory effective date to 1 January 2015. These requirements improve and simplify the approach for classification and measurement of financial assets compared with the requirements of AASB 139.	1 January 2015	1 July 2015

2. Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including currency risk and interest rate risk), credit risk and liquidity risk. The Group's overall risk management program focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the financial performance of the Group. The Group uses derivative financial instruments such as interest rate swaps and foreign exchange contracts to hedge certain risk exposures.

Risk management is the responsibility of the Chief Financial Officer (CFO) and follows policies approved by the Board of Directors. The CFO identifies, evaluates and hedges financial risks in close cooperation with the Group's operating units.

As detailed in note 29(a), on 19 February 2013, the Group acquired a controlling interest in Zhaopin, a leading online employment marketplace in China. Given the timing of the acquisitions, SEEK is currently reviewing the financial risk policies in Zhaopin.

The Group holds the following financial instruments:

	Notes	**2013 $'000**	2012 $'000
Financial assets			
Cash and cash equivalents	9	**184,802**	92,703
Trade and other receivables[1]		**71,367**	66,805
Other financial assets	12	**87,196**	630
Financial liabilities			
Trade and other payables	15	**76,611**	51,551
Other financial liabilities	17	**43,650**	82,487
Borrowings (principal)		**492,436**	320,487

1. Trade and other receivables in the table excludes prepayments which are not classified as financial instruments.

The carrying value of the assets and liabilities disclosed in the table above closely approximates or equals their fair value.

Borrowings are issued at variable interest rates (for details of the maturity of borrowings, refer to note 16) and cash and cash equivalents (refer to note 9) attract interest at variable interest rates. All other financial assets and liabilities are non-interest bearing.

(a) Market risk

(i) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures, predominantly the US dollar (USD), Singapore dollar (SGD), Hong Kong dollar (HKD), New Zealand dollar (NZD), Brazil Real (BRL), Mexican Peso (MXN) and Chinese Yuan (RMB). The Group's exposure to these and other currencies is detailed on page 73.

Foreign exchange risk arises when future commercial transactions and recognised assets and liabilities are denominated in a currency that is not the entity's functional currency.

2. Financial risk management continued

Forward contracts are sometimes used to manage foreign currency exchange risk. The CFO is responsible for managing exposures by using external forward currency contracts, for example for one-off significant transactions. During the year, SEEK has maintained borrowings in USD. The US$100,000,000 borrowings held by SEEK Limited has been designated as a hedge against its overseas investments, thereby protecting this portion of assets against depreciation of the USD over the life of the loan.

During the prior year, SEEK also entered into a currency hedge for $50,000,000 (HK$388,725,000). This hedge is designated as a hedge against the Hong Kong assets, thereby protecting this portion of assets against depreciation of the HKD over the three year life of the instrument.

The Group's foreign exchange risk management policy is to hedge up to 100% of anticipated significant cash flows in foreign currencies for up to a six month period. The forward foreign currency exchange contracts taken up by the Group are regularly reassessed. The derivative instruments used for hedging foreign exchange exposures are forward exchange contracts and purchased net options contracts.

2. Financial risk management continued

Group

The Group's exposure to foreign currency exchange risk at the reporting date, expressed in each currency, was as follows:

Denominated in:	**AUD**				**HKD**										**MXN**	**RMB**
2013	**NZD 000's**	**GBP 000's**	**MYR 000's**	**USD 000's**	**PHP 000's**	**THB 000's**	**NTD 000's**	**IDR 000's**	**MYR 000's**	**SGD 000's**	**INR 000's**	**RMB 000's**	**USD 000's**	**AUD 000's**	**USD 000's**	**USD 000's**
Cash and cash equivalents	**-**	**269**	**4,647**	**278**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**769**	**15**	**104**	**290**	**-**
Trade and other receivables	**371**	**346**	**-**	**195**	**-**	**-**	**-**	**-**	**-**	**2,147**	**-**	**-**	**-**	**-**	**32**	**-**
Financial assets	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Trade and other payables	**1,555**	**34**	**-**	**220**	**7,652**	**-**	**-**	**1,465,493**	**1,583**	**-**	**-**	**9,173**	**57**	**6**	**-**	**7,253**
Borrowings (principal)[1]	**-**	**-**	**-**	**100,000**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

1. During the year the Group drew down on its USD loan facility. This loan has been designated as a net investment hedge for accounting purposes. For further details refer to note 16.

Denominated in:	AUD				HKD										MXN	RMB
2012	NZD 000's	GBP 000's	MYR 000's	USD 000's	PHP 000's	THB 000's	NTD 000's	IDR 000's	MYR 000's	SGD 000's	INR 000's	RMB 000's	USD 000's	AUD 000's	USD 000's	USD 000's
Cash and cash equivalents	-	62	1,746	362	-	-	-	-	-	3,493		14	396	103	13	-
Trade and other receivables	755	179	-	-	1,265	12,681	3,215	-	8,822	-	6,065	-	-	-	3	-
Financial assets	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Trade and other payables	355	385	-	-	-	-	-	7,908,680	-	663	-	7,108	-	-	-	-
Borrowings (principal)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

2. Financial risk management continued

The analysis below reflects management's view of possible movements in relevant foreign currencies against the Australian dollar in the short term subsequent to 30 June 2013. The table summarises the range of possible outcomes that would affect the Group's net profit and equity as a result of foreign currency movements.

The impact of potential movements in exchange rates is as follows:

		Profit or Loss			
		2013 $'000		2012 $'000	
		High	**Low**	High	Low
AUD to NZD	(Range +5% to -5%)	**(48)**	**53**	(15)	17
AUD to GBP	(Range +5% to -5%)	**46**	**(51)**	11	(12)
AUD to MYR	(Range +5% to -5%)	**77**	**(85)**	(26)	28
AUD to USD	(Range +5% to -5%)	**13**	**(15)**	(17)	19
HKD to PHP	(Range +5% to -5%)	**(9)**	**10**	(1)	2
HKD to THB	(Range +5% to -5%)	**-**	**-**	(18)	20
HKD to NTD	(Range +5% to -5%)	**-**	**-**	(5)	5
HKD to IDR	(Range +5% to -5%)	**(8)**	**9**	39	(43)
HKD to MYR	(Range +5% to -5%)	**(26)**	**29**	(127)	141
HKD to SGD	(Range +5% to -5%)	**89**	**(98)**	(103)	113
HKD to INR	(Range +5% to -5%)	**-**	**-**	(5)	6
HKD to RMB	(Range +5% to -5%)	**(71)**	**78**	52	(57)
HKD to USD	(Range +5% to -5%)	**(2)**	**2**	(18)	20
HKD to AUD	(Range +5% to -5%)	**5**	**(5)**	5	(5)
MXN to USD	(Range +5% to -5%)	**14**	**(15)**	(1)	1
RMB to USD	(Range +5% to -5%)	**(377)**	**416**	-	-
Net movement		**(297)**	**328**	(230)	255

(ii) Price risk

The Group is not exposed to significant equities price risk.

(iii) Cash flow interest rate risk

The Group's main interest rate risk arises from long-term borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk.

As part of its capital risk management policy the Group protects part of its borrowings from exposure to fluctuations in interest rates. The Group has entered into interest rate swap contracts under which it receives interest at variable rates and pays interest at fixed rates.

Syndicated loan facility

Swaps currently in place cover approximately 66% (2012: 25%) of the variable loan principal outstanding on the Group's loan facility and are timed to expire as each loan repayment falls due. Refer to note 17 for further details.

2. Financial risk management continued

At the end of the reporting period, the Group had the following variable rate borrowings and interest rate swap contracts outstanding:

	2013 $'000		2012 $'000	
AUD denominated borrowings	**Weighted average interest rate %**	**$'000**	Weighted average interest rate %	$'000
Bank loans - principal	**5.5%**	**280,000**	7.1%	320,487
Less amounts covered by interest rate swaps	**3.2%**	**(170,000)**	4.9%	(80,000)
		110,000		240,487
USD denominated borrowings				
Bank loan - principal	**2.6%**	**109,420**	n/a	-
Entrusted loan facilities	**1.8%**	**74,367**	n/a	-
Less amounts covered by interest rate swaps	**0.8%**	**(131,304)**	n/a	-
		52,483		-
HKD denominated borrowings				
Loan facility	**4.3%**	**28,205**	n/a	-
Less amount covered by interest rate swaps	**0.9%**	**(24,707)**	n/a	-
		3,498		-
Total Group borrowings				
Total borrowings	**4.4%**	**491,992**	7.1%	320,487
Less amounts covered by interest rate swaps	**2.1%**	**(326,011)**	4.9%	(80,000)
		165,981		240,487

The interest rate and term for bank borrowings is determined at the date of each drawdown. The weighted average interest rate for the year ended 30 June 2013 was 4.4% (2012: 7.1%). At 30 June 2013 if the weighted average interest rate of the facility had been 10% higher or 10% lower, interest expense would increase/ decrease by $2,152,000.

Cash balances

As at 30 June 2013 the Group has $56,406,000 (2012: $17,690,000) held in bank deposits, debentures and fixed income funds held by the subsidiaries of SEEK's controlled entities Brasil Online, Zhaopin and OCC, which attract a higher rate of interest.

The Group's bank accounts are predominantly interest bearing accounts. Funds that are excess to short term liquidity requirements are generally invested in short term deposits. Where excess funds are significantly in excess of short term requirements, they are then applied to reduce the syndicated loan facility balance, thus reducing interest payable.

At 30 June 2013, if the interest rates on interest bearing cash balances were to move 10% higher or 10% lower than the weighted average rate of 4.6%, annual interest income would increase/decrease by $642,000 respectively.

2. Financial risk management continued

(b) Credit risk

The Group's exposure to credit risk arises from the potential default of the Group's trade and other receivables as well as the institutions in which the Group's cash and cash equivalents are deposited, and derivative instruments are traded with, with a maximum exposure equal to the carrying amounts of these assets. Further details of the Group's trade receivables are included in note 10 and cash and cash equivalents are detailed in note 9.

For trade and other receivables, the Group does not hold any credit derivatives or collateral to offset its credit exposure. Due to the short term nature of these receivables, their carrying amount is assumed to approximate their fair value.

Group trade receivables at 30 June 2013 were $58,115,000 (note 10).

The domestic Employment business accounts for 40% of gross trade receivables with a customer base comprising of agencies, national/major accounts and SMEs. Credit risk assessments are conducted on new and renegotiated contracts to evaluate each customer's credit worthiness.

The Education business accounts for 26% of gross trade receivables and their customer base is made up predominantly of full and part-time students. The majority (83%) of these students receive FEE-HELP for which the debt recorded is not yet due and the risk of default is relatively low as the debt is settled by the Department for Education. The remainder are self-funded and whilst individual debtors are low, they represent a higher credit risk.

The International business represents 34% of gross trade receivables and the exposure to credit risk is relatively low due to the credit terms provided and the large and diverse customer base.

Credit risk is managed in the following ways:

- The provision of credit is covered by a risk assessment process for all customers (e.g. appropriate credit history, credit limits, past experience);
- Concentrations of credit risk are minimised by undertaking transactions with a large number of customers.

The Group's treasury policy only authorises dealings with financial institutions that have an investment grade rating.

(c) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and ensuring that all term deposits can be converted to funds at call. Due to the dynamic nature of the underlying businesses, the CFO aims to maintain flexibility in funding by keeping accessible the cash reserves of the business. A borrowing facility of $450,000,000 was set up during 2013 to enable the Group to borrow funds when necessary, repayable during September 2015 and September 2016 (refer to note 16).

The Group also established a USD entrusted loan facility in Zhaopin and a HKD loan in SEEK Asia during the year. For further information refer to note 16.

At 30 June 2013 the Group has recognised a financial liability of $36,739,000 which represents the net present value of the expected cash consideration to be paid in the future for additional ownership interests in Zhaopin, which will be acquired under a put option agreement. This option is exercisable from 1 October 2013 to 30 September 2014. At the date of this report the option had not been exercised.

In 2012, the Group had recognised a $81,216,000 financial liability, which represents the net present value of the expected cash consideration to be paid to the vendor of JobsDB for the remaining 20% ownership, which was settled in March 2013. For further information refer to note 17(i).

All other financial liabilities are current and anticipated to be repaid over the normal payment terms, usually 30 days.

2. Financial risk management continued

(i) Financial arrangements

The Group had access to the following borrowing facilities at end of the reporting period:

	Drawn		Undrawn		Total	
	2013 $'000	2012 $'000	**2013 $'000**	2012 $'000	**2013 $'000**	2012 $'000
Floating rate						
Expiring within one year	**51,879**	-	**-**	20,000	**51,879**	20,000
Expiring beyond one year	**440,113**	320,487	**70,000**	19,513	**510,113**	340,000
	491,992	320,487	**70,000**	39,513	**561,992**	360,000

Subject to the continuance of meeting certain financial covenants, the bank loan facilities may be drawn down at any time. Refer to note 16 for further details of the Group's borrowing arrangements.

(ii) Maturities of financial liabilities

The tables below analyse the Group's financial liabilities into relevant maturity groupings based on their contractual maturities for:

(a) all non-derivative financial liabilities, and
(b) net and gross settled derivative financial instruments for which the contractual maturities are essential for an understanding of the timing of the cash flows.

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant. For interest rate swaps the cash flows have been estimated using forward interest rates applicable at the end of the reporting period.

Contractual maturities of financial liabilities	Less than 6 months $'000	6 - 12 months $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Total contractual cash flows $'000	Carrying amount (assets)/ liabilities $'000
At 30 June 2013							
Non-derivatives							
Trade payables	**76,611**	**-**	**-**	**-**	**-**	**76,611**	**76,611**
Borrowings	**13,493**	**57,932**	**54,752**	**415,665**	**-**	**541,842**	**491,922**
Finance lease liabilities	**95**	**95**	**190**	**108**	**-**	**488**	**444**
Total non-derivatives	**90,199**	**58,027**	**54,942**	**415,773**	**-**	**618,941**	**568,977**
Derivatives							
Net settled (interest rate swaps)	**439**	**405**	**(365)**	**(26)**	**-**	**453**	**662**
Gross settled (forward foreign exchange contracts - cash flow hedges)							
- (inflow)	**(794)**	**(794)**	**(51,588)**	**-**	**-**	**(53,176)**	**-**
- outflow	**199**	**209**	**55,176**	**-**	**-**	**55,584**	**4,836**
	(156)	**(180)**	**3,223**	**(26)**	**-**	**2,861**	**5,498**

2. Financial risk management continued

Contractual maturities of financial liabilities	Less than 6 months $'000	6 - 12 months $'000	Between 1 and 2 years $'000	Between 2 and 5 years $'000	Over 5 years $'000	Total contractual cash flows $'000	Carrying amount (assets)/ liabilities $'000
At 30 June 2012							
Non-derivatives							
Trade payables	51,551	-	-	-	-	51,551	51,551
Borrowings	9,396	9,396	328,317			347,109	320,487
Finance lease liabilities	-	-	-	-	-	-	-
Total non-derivatives	60,947	9,396	328,317	-	-	398,660	372,038
Derivatives							
Net settled (interest rate swaps)	42	-	-	-	-	42	-
Gross settled (forward foreign exchange contracts - cash flow hedges)							
- (inflow)	(794)	(794)	(794)	(51,588)	-	(53,970)	(672)
- outflow	199	199	209	49,814	-	50,421	-
	(553)	(595)	(585)	(1,774)	-	(3,507)	(672)

(d) Fair value measurements

SEEK Limited discloses fair value measurements by level of the following fair value measurement hierarchy:

(a) quoted prices (unadjusted) in active markets for identical assets or liabilities (level 1)

(b) inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (as prices) or indirectly (derived from prices) (level 2) ,and

(c) inputs for the asset or liability that are not based on observable market data (unobservable inputs) (level 3).

At 30 June 2013 the Group held at fair value the following level 2 derivative instruments (refer to notes 12 and 17):

- Derivative financial assets $2,274,000
- Derivative financial liabilities $5,498,000

At 30 June 2012 the Group held at fair value a put option, classified as a level 3 financial liability. The fair value of the put option was determined based on the net present value of anticipated future cash outflows. These cash outflows were dependent on a multiple of future earnings, capped at HK$640,000,000. The fair value was determined using the maximum cash outflow and was not discounted as the option was current. This put option was settled in March 2013 (refer to note 17 for further details).

2. Financial risk management continued

The following table shows the movement in the put option during the current and prior years:

	2013 $'000	2012 $'000
Carrying amount at start of year	**81,216**	74,630
Exchange differences	**(1,381)**	4,583
Settled during the period	**(79,835)**	-
Interest unwound and charged to the consolidated income statement	**-**	2,003
Carrying amount at end of year	**-**	81,216

(e) Capital risk management

The Group's policy is to maintain a capital structure for the business which ensures sufficient liquidity and support for business operations, maintains shareholder and market confidence, provides strong stakeholder returns, and positions the business for future growth. In assessing capital management the Group considers both equity and debt instruments.

The ongoing maintenance of this policy is characterised by:

- Ongoing cash flow forecast analysis and detailed budgeting processes which, combined with continual development of banking relationships, is directed at providing a sound financial positioning for the Group's operations and financial management activities;
- A capital structure that provides adequate funding for the Group's potential acquisition and investment strategies, building future growth in shareholder value. The syndicated loan facility can be partly used to fund significant investments as part of the Group's growth strategy; and
- Investment criteria that consider earnings accretion and risk adjusted rate of return requirements based on the Group's weighted average cost of capital, and overall strategic goals.

The Group is not subject to externally imposed capital requirements, other than contractual banking covenants and obligations. The Company has complied with all bank lending requirements during the year and at the date of this report.

3. Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that may have a financial impact on the entity and that are believed to be reasonable under the circumstances.

(a) Critical accounting estimates and assumptions

The Group makes estimates and assumptions concerning the future which may not equal the related actual results. The estimates and assumptions that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(i) Business combinations

Following the guidance in AASB 3: *Business Combinations* , the Group has made assumptions and estimates to determine the purchase price of businesses acquired as well as its allocation to acquired assets and liabilities. To do so, the Group is required to determine the acquisition date fair value of the identifiable assets acquired, including intangible assets such as brand, customer relationships and liabilities assumed. Goodwill is measured as the excess of the fair value of the consideration transferred including the recognised amount of any non-controlling interest over the net recognised amount of the identifiable assets and liabilities.

The assumptions and estimates made by the Group have an impact on the asset and liability amounts recorded in the financial statements. In addition, the estimated useful lives of the acquired amortisable assets, the identification of intangible assets and the determination of the indefinite or finite useful lives of intangible assets acquired will have an impact on the Group's future profit or loss.

In step acquisitions where the Group obtains control over an entity by acquiring an additional interest in that entity, the Group's previously held equity interest is remeasured to fair value at the date the controlling interest is acquired and a gain or loss is recognised in the consolidated income statement. The Group has also adopted the fair value method in measuring non-controlling interests in recent step acquisitions. The determination of these fair values involves managements' judgement and takes into consideration purchase price of the acquired controlling interest, other comparable transactions and trading comparables.

(ii) Estimated impairment of goodwill and other intangible assets with indefinite useful lives

Goodwill and intangible assets with indefinite useful lives are allocated to a CGU or group of CGUs and tested annually to determine whether they have suffered any impairment in accordance with the accounting policy stated in note 1(h). The recoverable amounts of the CGU or group of CGUs to which the assets have been allocated have been determined based on value-in-use or fair value calculations. These calculations are performed based on cash flow projections and other supplementary information which, given thier forward looking nature, require the adoption of assumptions and estimates. The key assumptions and estimates utilised in management’s assessments relate primarily to:

- Five or ten year cash flow forecasts sourced from internal budgets and long term management forecasts;
- Terminal value growth rates applied to the period beyond the five or ten year cash flow forecasts; and
- Pre-tax discount rates, used to discount the cash flows to present value.

3. Critical accounting estimates and judgements continued

Each of these assumptions and estimates is based on a "best estimate" at the time of performing the valuation. However, increases in discount rates or changes in other key assumptions, such as operating conditions or financial performance, may cause the carrying values of CGUs or groups of CGUs to exceed their recoverable amounts.

(iii) Indefinite useful lives

Management has determined that some of the intangible assets (brands and licences) recognised as part of business combinations have indefinite useful lives. These assets have no legal or contractual expiry date and are integral to future revenue generation. Management intends to continue to promote, maintain and defend the brands and licences to the extent necessary to maintain their values for the foreseeable future.

Management assesses the useful lives of the Group's intangible assets at the end of each reporting period. No factors have been identified in the period which would alter SEEK's the assumption of indefinite useful lives for brands and licences.

Refer to note 14 for details of these assumptions and the potential impact of changes to these assumptions.

(iv) Income taxes

The Group is subject to income taxes (and other similar taxes) in Australia and in a number of overseas jurisdictions. Judgement is required in determining the Group provision for income taxes.

- There are certain transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. The Group estimates its tax liabilities based on its current understanding of the tax law. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax assets and liabilities in the future period in which such determination is made.

- The research and development tax offset available to the business is estimated in the accounts because a full assessment of the position cannot be made by the year end. This has been one of the causes of over-provision for tax in prior periods as it is the policy of the business to only bring to account that portion of expenses that are reasonably expected to be claimable at period end.

Please refer to note 8 for further details on the Group's income tax balances.

(v) Potential deferred tax liability on undistributed profits of IDP Education Pty Ltd (an associate of SEEK Limited)

The Group did not recognise a deferred tax liability in relation to undistributed profits of IDP Education Pty Ltd since a dividend policy agreement has been put in place, which stipulates that dividends will be fully franked, and the directors consider that this gives them the ability to control the timing and reversal of the temporary differences.

(vi) Acquired contingent liabilities

In accordance with Australian Accounting Standards for Business Combinations, the Group are required to re-assess contingent liabilities acquired in a business combination and record them at their fair value. The fair value of the contingent liabilities reflects the range of possible outcomes across the portfolio of contingent liabilities and is adjusted for risk. Given the accounting for the acquisition of Zhaopin is preliminary, these fair values are still being assessed and are subject to change.

3. Critical accounting estimates and judgements continued

(b) Critical judgements in applying the entity's accounting policies

(i) Significant influence over associates

The Group follows the guidance in AASB 128: *Investments in Associates and Joint Ventures* to determine its level of control and influence over its investments in associates. This determination can require judgement particularly around voting rights and participation in the financial and operating activities of the investee. If the Group's influence increased such that the Group has the power to govern the financial and operating activities of the associate, then its results would have to be fully consolidated. Conversely, if the Group's influence reduced and the Group did not have the power to participate in the financial and operating activities of the associate then it would need to account for its interest in the associate as an available-for-sale financial asset.

The key judgemental areas are as follows:

IDP Education Pty Ltd ("IDP")
The Group owns 50% of the voting rights in IDP. The Group does not have control over the investment as its voting rights and board seats are equal to its co-investors. The Group is required to equity account for IDP as an associate company due to the fact that the Group has significant influence over IDP.

JobStreet Corporation Berhad ("JobStreet")
The Group owns 22.4% of the voting rights in JobStreet and management has determined that this ownership provides it with significant influence over JobStreet. This is however a judgemental area and the Group continue to monitor its position to participate in the JobStreet policy-making processes. If this situation were to change and the Group did not have the power to participate in the financial and operating policy decisions of JobStreet, then it would need to account for its interest in JobStreet as an available-for-sale financial asset at fair value and would no longer equity account for its share of profit.

(ii) Impairment of the investment in associates

The Group has not impaired any of its investments in associates, a decision which requires significant estimates and judgements. As required by current Accounting Standards, the Group has evaluated, among other factors, the financial health of and business outlook for its associates and assessed the carrying value of its investments against current estimated fair value. Where an impairment indicator exists due to the current economic climate an impairment test has been performed. This has resulted in no impairment write downs being required in the current financial period.

4. Segment information

(a) Description of segments

Management have determined the operating segments based on the reports reviewed and relied upon by the CEO (the chief operating decision maker (CODM)).

The Group operates in three core industries: online employment classified advertising (Employment); the provision and execution of training courses (Education); and investments in overseas online employment marketplaces (International).

- The Employment business is considered as one reporting segment which provides online employment classified advertising services through the SEEK website. It sells these services in Australia, New Zealand and the United Kingdom, which have similar business characteristics and are managed as one business.

- The Education business comprises two segments: SEEK Learning and THINK.
  - The SEEK Learning business markets, sells and distributes (predominantly through online channels) vocational training and education training courses in Australia. These courses are developed and delivered by outside providers (including THINK). It also includes the results of the Group's investment in IDP and Swinburne Online.
  - THINK is a provider of vocational training and higher education courses, including classroom-based and distance learning courses and operates solely in Australia.

- SEEK has, over time, increased its investments in its overseas subsidiaries, and these entities now represent significant individual businesses within the Group.

  The International business now comprises four operating segments being controlling interests in:
  - JobsDB (operating in seven countries across South East Asia);
  - Zhaopin (operating in China);
  - Brasil Online (operating in Brazil); and
  - OCC (operating in Mexico).

  As well as 'International other', which comprises other operating costs associated with managing the international businesses, including interests in International associates JobStreet (based in Malaysia) and One Africa Media (based in three countries across Africa).

Segment EBITDA is the measure utilised by the CODM to measure the businesses' profitability. Segment EBITDA is earnings before interest, tax, depreciation and amortisation and excludes share of net profits from associates and jointly controlled entity accounted for using the equity method, fair value gains/ losses on acquisition, impairment losses, amortisation of share-based payments and long-term incentives and other non-operating gains/losses. Interest income and expenditure are not allocated to segments, as this type of activity is driven and managed centrally by the Group.

Segment revenue, expenses, assets and liabilities are those that are directly attributable to a segment and the relevant portion that can be allocated to the segment on a reasonable basis. Segment assets include all assets used by a segment and consist primarily of operating cash, receivables, other financial assets, plant and equipment, goodwill and other intangible assets, net of related provisions. While most of these assets can be directly attributable to individual segments, the carrying amounts of certain assets used jointly by segments are allocated based on reasonable estimates and usage. Segment liabilities consist primarily of trade and other creditors, other financial liabilities and employee entitlements.

Segment revenues, expenses and results include transfers between segments. Such transfers are prices on an "arm's length" basis and are eliminated on consolidation.

The amounts provided to the CODM with respect to total assets and total liabilities are measured in a manner consistent with that of the financial statements. Assets and liabilities are allocated based on the operations of the segment.

SEEK Limited
Notes to the Financial Statements
For the year ended 30 June 2013

4. Segment information continued

(b) Segment information provided to the CODM

		Employment	Education				International						Consolidated
30 June 2013	Notes	$'000s	SEEK Learning $'000s	THINK $'000s	Eliminations $'000s	Total $'000s	JobsDB $'000s	Brasil Online $'000s	OCC $'000s	Zhaopin[1] $'000s	Int'l Other $'000s	Total $'000s	$'000s
Revenue													
Segment revenue from external customers	5	234,857	57,378	103,241	-	160,619	51,308	109,774	13,752	49,892	-	224,726	620,202
Inter-segment revenue		-	3,893	-	(3,893)	-	-	-	-	-	-	-	-
Total segment revenue		234,857	61,271	103,241	(3,893)	160,619	51,308	109,774	13,752	49,892	-	224,726	620,202
Interest income	5												6,417
Consolidated revenue	5												626,619
Segment EBITDA		141,594	24,787	15,172	-	39,959	17,589	30,219	3,025	12,915	(5,683)	58,065	239,618
Depreciation	13	(1,778)	(1,230)	(4,336)	-	(5,566)	(1,039)	(1,098)	(517)	(980)	-	(3,634)	(10,978)
Amortisation	14	(4,211)	(391)	(2,725)	-	(3,116)	(5,457)	(2,444)	(1,480)	(3,229)	-	(12,610)	(19,937)
Share of profits from associates and jointly controlled entity accounted for using the equity method	11(b)	-	11,816	-	-	11,816	-	-	-	11,257	4,008	15,265	27,081
Fair value gains on step acquisitions	29(a)	-	-	-	-	-	-	-	-	160,910	-	160,910	160,910
Impairment loss	14	-	(1,320)	-	-	(1,320)	-	-	-	-	-	-	(1,320)
Segment result		135,605	33,662	8,111	-	41,773	11,093	26,677	1,028	180,873	(1,675)	217,996	395,374
Amortisation of share-based payments and other long-term incentive schemes	7												(9,696)
Interest income	5												6,417
Interest expense	7												(24,230)
Profit before tax													367,865
Income tax expense	8(a)												(54,189)
Profit for the year													313,676
Non-controlling interests	20(c)												(13,597)
Profit for the year attributable to the owners of SEEK Limited													300,079

1. As discussed in note 29(a), SEEK moved to controlling interest in Zhaopin on 19 February 2013, and the segment result in the business is reflective of the period since control was gained.

4. Segment information continued

(b) Segment information provided to the CODM continued

		Employment	Education				International						Consolidated
30 June 2012 Restated*	Notes	$'000s	SEEK Learning $'000s	THINK $'000s	Eliminations $'000s	Total $'000s	JobsDB $'000s	Brasil Online[2] $'000s	OCC[2] $'000s	Zhaopin $'000s	Int'l Other $'000s	Total $'000s	$'000s
Revenue													
Segment revenue from external customers	5	247,769	45,473	86,913	-	132,386	52,926	8,818	355	-	-	62,099	442,254
Inter-segment revenue		-	4,005	-	(4,005)	-	-	-	-	-	-	-	-
Total segment revenue		247,769	49,478	86,913	(4,005)	132,386	52,926	8,818	355	-	-	62,099	442,254
Interest income	5												2,976
Consolidated revenue	5												445,230
Segment EBITDA		152,146	15,261	5,283	-	20,544	20,752	2,982	112	-	(2,911)	20,935	193,625
Depreciation	13	(1,900)	(998)	(4,688)	-	(5,686)	(1,017)	(157)	(45)	-	-	(1,219)	(8,805)
Amortisation	14	(2,626)	(308)	(3,053)	-	(3,361)	(5,448)	(173)	(37)	-	-	(5,658)	(11,645)
Share of profits from associates and jointly controlled entity accounted for using the equity method	11(b)	-	6,133	-	-	6,133	-	4,654	821	16,490	2,773	24,738	30,871
Fair value gains on step acquisitions		-	-	-	-	-	-	15,462	12,762	-	-	28,224	28,224
Impairment loss	14	-	-	(24,115)	-	(24,115)	-	-	-	-	-	-	(24,115)
Segment result		147,620	20,088	(26,573)	-	(6,485)	14,287	22,768	13,613	16,490	(138)	67,020	208,155
Amortisation of share-based payments and other long-term incentive schemes	7												(4,130)
Interest income	5												2,976
Interest expense	7												(23,650)
Other non-operating gain	6												1,130
Profit before tax													184,481
Income tax expense	8(a)												(47,023)
Profit for the year													137,458
Non-controlling interests	20(c)												(5,778)
Profit for the year attributable to the owners of SEEK Limited													131,680

* As discussed in note 4(a) the International division has been restated to reflect the Zhaopin step acquisition in the year.

2. As discussed in note 29(b), SEEK moved to controlling interests in Brasil Online (31 May 2012) and OCC (19 June 2012), and the EBITDA results in these businesses are reflective of the period since control was gained.

SEEK Limited
Notes to the Financial Statements
For the year ended 30 June 2013

4. Segment information continued

(c) Balance Sheet information

		Employment	Education			International						Consolidated
			SEEK Learning	THINK	Total	JobsDB	Brasil Online	OCC	Zhaopin	Int'l Other	Total	
30 June 2013	Notes	$'000s	$'000s	$'000s	$'000s	$'000s	$'000s	$'000s	$'000s	$'000s	$'000s	$'000s
Assets		**64,752**	**97,155**	**123,322**	**220,477**	**421,635**	**445,596**	**192,317**	**753,326**	**75,480**	**1,888,354**	**2,173,583**
Total segment assets												
Unallocated:												
Deferred tax assets	8(d)											**30,385**
Current tax assets												**52**
Total assets												**2,204,020**
Total assets include:												
Additions to non-current assets (other than financial assets and deferred tax)		**11,886**	**1,876**	**8,606**	**10,482**	**870**	**1,378**	**268**	**1,389**	**-**	**3,905**	**26,273**
Carrying value of investments in associates and jointly controlled entity	11(b)	**-**	**78,550**	**-**	**78,550**	**-**	**-**	**-**	**-**	**73,829**	**73,829**	**152,379**
Liabilities												
Total segment liabilities		**(43,483)**	**(7,407)**	**(32,100)**	**(39,507)**	**(27,670)**	**(38,534)**	**(11,287)**	**(112,115)**	**(37,571)**	**(227,177)**	**(310,167)**
Unallocated:												
Current borrowings	16(a)											**(52,052)**
Non-current borrowings	16(b)											**(436,788)**
Current tax liabilities												**(22,153)**
Deferred tax liabilities	8(e)											**(86,286)**
Total liabilities												**(907,446)**

4. Segment information continued

(c) Balance Sheet information continued

		Employment	Education			International						Consolidated
			SEEK Learning	THINK	Total	JobsDB	Brasil Online	OCC	Zhaopin	Int'l Other	Total	
30 June 2012 Restated *	Notes	$'000s	$'000s	$'000s	$'000s	$'000s	$'000s	$'000s	$'000s	$'000s	$'000s	$'000s
Assets												
Total segment assets		68,358	92,794	114,371	207,165	381,302	424,654	164,039	77,236	49,667	1,096,898	1,372,421
Unallocated:												
Deferred tax assets	8(d)											24,419
Current tax assets												2,924
Total assets												1,399,764
Total assets include:												
Additions to non-current assets (other than financial assets and deferred tax)		5,971	852	8,690	9,542	1,336	131	-	-	-	1,467	16,980
Carrying value of investments in associates and jointly controlled entity	11(b)	-	74,028	-	74,028	-	-	-	77,236	44,799	122,035	196,063
Liabilities												
Total segment liabilities		(39,665)	(3,318)	(31,388)	(34,706)	(23,963)	(52,898)	(7,494)	-	(84,471)	(168,826)	(243,197)
Unallocated:												
Current borrowings												-
Non-current borrowings	16(b)											(318,433)
Current tax liabilities												(19,376)
Deferred tax liabilities	8(e)											(47,625)
Total liabilities												(628,631)

* As discussed in note 4(a) the International division has been restated to reflect the Zhaopin step aquisition in the year.
Refer to note 29(b) for details of restatement on the completion of acquisition accounting for Brasil Online and OCC.

4. Segment information continued

(d) Geographical information

In presenting information on the basis of geographical segments, segment revenue is based on the geographical location of the customers. Segments assets are based on the geographical location of the assets.

	2013		2012	
	Revenue[1] $'000	Non-current assets[2] $'000	Revenue[1] $'000	Non-current assets Restated*[2] $'000
Australia	**376,184**	**203,537**	362,565	193,830
New Zealand	**18,906**	**6,462**	17,241	4,910
United Kingdom	**386**	**-**	349	-
Brazil	**109,774**	**399,359**	8,818	387,261
Mexico	**13,752**	**175,718**	355	153,245
China	**58,774**	**615,292**	10,410	80,584
Hong Kong[3]	**21,555**	**377,560**	20,438	339,416
Malaysia	**576**	**51,403**	723	44,833
Other South East Asia	**20,295**	**936**	21,355	3,736
Africa	**-**	**22,488**	-	-
Total allocated	**620,202**	**1,852,755**	442,254	1,207,815
Unallocated:				
Interest income	**6,417**	**-**	2,976	-
Deferred tax assets	**-**	**30,385**	-	24,419
Total	**626,619**	**1,883,140**	445,230	1,232,234

* Refer to note 29(b) for details of restatement on the completion of acquisition accounting for Brasil Online and OCC.
1. Amounts allocated represent segment revenue from external customers.
2. Amounts allocated represent all non-current assets excluding deferred tax assets.
3. Non-current assets allocated to Hong Kong include goodwill and other indefinite life intangible assets assumed as part of the JobsDB acquisition, which is consistent with the approach for impairment testing (refer to note 14).

5. Revenue

	2013 $'000	2012 $'000
Revenue from continuing operations		
Sales revenue		
Employment - job and banner advertising	**234,857**	247,769
International - job, banner advertising and CV online	**224,726**	62,099
Education - commission revenue	**57,761**	41,652
Education - classroom-based training	**102,858**	90,734
Total sales revenue	**620,202**	442,254
Other revenue		
Interest income	**6,417**	2,976
Total revenue from continuing operations	**626,619**	445,230

6. Other Income

	Notes	2013 $'000	2012 $'000
Fair value gains on step acquisitions	29(a)	**160,910**	28,224
Other non-operating gain[1]		**-**	1,130
		160,910	29,354

1. Other non-operating gain relates to a forward exchange contract settled during the prior year.

7. Expenses

Net losses and expenses

Profit before Income tax expense includes the following specific net losses and expenses:

	Notes	2013 $'000	2012 $'000
Specific costs included within operations and administration			
Depreciation of plant and equipment	13	**10,978**	8,805
Amortisation of intangible assets	14	**19,937**	11,645
Rental expenses relating to operating leases:			
Minimum lease payments		**16,125**	13,969
Net foreign exchange (gains) recognised in profit before income tax expense		**(645)**	(428)
Net loss on the disposal of plant and equipment		**13**	108
Impairment loss	14	**1,320**	24,115
Finance Costs			
Interest expense		**24,132**	23,650
Interest unwound on put option		**98**	2,003
Total interest expense		**24,230**	25,653
Other finance charges paid/payable		**5,066**	1,024
Total finance costs		**29,296**	26,677
Employee benefits			
Share-based payments and other long term incentives		**9,696**	4,130
Salary costs		**161,357**	96,915
Superannuation costs		**10,480**	7,698
Total employee benefits		**181,533**	108,743

8. Income Tax

(a) Income tax expense

	Notes	2013 $'000	2012 $'000
Current tax		**58,556**	48,761
Deferred tax		**(3,904)**	(4,380)
Release of tax on hedge reserves on step acquisitions	29	**(337)**	3,169
(Over) provision in prior years		**(126)**	(527)
Income tax expense	8(b)	**54,189**	47,023

The entire income tax expense relates to profit from continuing operations.

Deferred income tax expense included in income tax expense comprises:		
(Increase) in deferred tax assets	**(652)**	(3,558)
(Decrease) in deferred tax liability	**(3,252)**	(822)
	(3,904)	(4,380)

(b) Numerical reconciliation of income tax expense to prima facie tax payable:

	2013 $'000	2012 $'000
Profit from ordinary activities before income tax expense	**367,865**	184,481
Income tax calculated @ 30% (2012: 30%)	**110,360**	55,344
Tax effect of amounts that are not deductible/(taxable) in calculating income tax:		
Fair value gains on step acquisitions	**(48,273)**	(5,298)
Release of hedge reserves on step acquisitions	**(337)**	-
Release of acquisition indemnity	**1,842**	-
Foreign subsidiary losses not recognised in the Group	**463**	-
Research and development claim	**(330)**	(240)
Tax effect on share of net profits of associates and jointly controlled entity	**(8,124)**	(9,261)
Non-assessable dividend income	-	(379)
Impairment loss on goodwill	**396**	6,750
Non-deductible expenses:		
Legal fees and acquisition costs	**505**	378
Share-based payments	**309**	345
Other non-deductible/non-assessable items	**(34)**	(70)
	56,777	47,569
Income tax adjusted for permanent differences:		
Effect of movements in foreign exchange	**214**	-
Effect of different rates of tax on overseas income	**(2,676)**	-
Effect of changes in tax rates	-	(19)
(Over) provision in prior year	**(126)**	(527)
Income tax expense attributable to profit from ordinary activities	**54,189**	47,023

8. Income Tax continued

(c) Amounts recognised directly in equity

Tax expense relating to items of other comprehensive income

	Notes	2013 $'000	2012 $'000
Release of hedge reserves on step acquisitions	29	**(337)**	3,169
Current tax (debited) directly to hedge reserve		-	(3)
Deferred tax credited/(debited) associated with share-based payment schemes	20(a)	**3,422**	(165)
		3,085	3,001

Aggregate current and deferred tax arising in the reporting period and not recognised in net profit or loss or other comprehensive income but directly debited or credited to equity

	Notes	2013 $'000	2012 $'000
Current tax credited directly to share-based payment reserves:			
Shares purchased on market		**183**	108
New issue of shares		**1,068**	225
	20(a)	**1,251**	333

(d) Deferred tax assets

The balance comprises temporary differences attributable to:

	2013 $'000	2012 Restated* $'000
Amounts recognised in profit or loss:		
Provision for impairment of trade receivables	**1,015**	1,866
Unearned income	**2,653**	1,719
Employee benefits	**6,199**	5,211
Provision for credit notes	**814**	942
Fringe benefits tax	**87**	51
Share-based payments	**3,142**	1,204
Accounting fees	**108**	284
Other provisions	**5,884**	6,166
Plant and equipment and intangible assets	**7,207**	5,056
Deferred expenditure - other	**754**	1,115
Foreign exchange gains	**278**	116
Commissions - non-employment benefits	**226**	271
Research and development tax offset	**(405)**	-
	27,962	24,001
Amounts recognised directly in equity:		
Share-based payments	**2,416**	245
Capital raising costs	**7**	173
	2,423	418
Net deferred tax assets	**30,385**	24,419

8. Income Tax continued

(d) Deferred tax assets continued

		2013 $'000	2012 Restated* $'000
Movements:			
Opening balance at 1 July		**24,419**	11,397
Credited to the consolidated income statement		**652**	3,558
Credited to equity		**2,005**	(165)
Exchange differences		**770**	(578)
Acquisition of subsidiary	29	**2,589**	10,449
Under/(over) provision in prior year		**(50)**	(242)
Closing balance at 30 June		**30,385**	24,419
Deferred tax assets to be recovered within 12 months		**13,360**	12,528
Deferred tax assets to be recovered after more than 12 months		**17,025**	11,891
		30,385	24,419

* Refer to note 29(b) for details of restatement on the completion of acquisition accounting for Brasil Online and OCC.

(e) Deferred tax liabilities

	Notes	2013 $'000	2012 Restated* $'000
The balance comprises temporary differences attributable to:			
Intangible assets		**84,836**	46,217
Withholding tax on undistributed profits		**1,174**	1,408
Other items		**276**	-
Net deferred tax liabilities		**86,286**	47,625
Movements:			
Opening balance at start of year		**47,625**	18,534
Credited to the consolidated income statement		**(3,252)**	(822)
Acquisition of subsidiaries	29	**32,681**	33,021
Exchange differences		**9,232**	(3,108)
Closing balance at end of year		**86,286**	47,625
Deferred tax liabilities expected to be settled with 12 months		**3,800**	3,020
Deferred tax liabilities expected to be settled after more than 12 months		**82,486**	44,605
Closing balance at end of year		**86,286**	47,625

* Refer to note 29(b) for details of restatement on the completion of acquisition accounting for Brasil Online and OCC.

8. Income Tax continued

Income tax consolidation legislation
SEEK Limited and its wholly-owned Australian entities elected to form an income tax consolidated group as of 1 July 2004. The accounting policy on implementation of the income tax consolidation legislation is set out in note 1(y).

On adoption of the income tax consolidation legislation, the entities in the income tax consolidated group entered into a tax sharing agreement which, in the opinion of the directors, limits the entities joint and several liability in the case of an income tax payment default by the head entity, SEEK Limited.

The entities have also entered into a tax funding agreement under which the entities fully compensate SEEK Limited for any current income tax payable assumed and are compensated by SEEK Limited for any current tax receivable and deferred tax assets relating to unused tax losses or unused tax credits that are transferred to SEEK Limited under the income tax consolidation legislation. The funding amounts are determined by reference to the amounts recognised in the entities' financial statements.

The amounts receivable/payable under the tax funding agreement are due upon receipt of the funding advice from the head entity, which is issued as soon as practicable after the end of each financial year. The head entity may also require payment of interim funding amounts to assist with its obligations to pay income tax instalments. The funding amounts are recognised as current intercompany receivable or payables.

On 31 August 2012 Laureate Education, Inc. acquired a 20% interest in THINK: Education Group Pty Limited. On that day, THINK: Education Group Pty Limited and its wholly owned Australian entities exited the SEEK Limited income tax consolidated group. The Australian Tax Office was notified of this exit from the Group.

9. Cash and cash equivalents

	2013	2012
	$'000	$'000
Cash at bank and on hand	**128,396**	75,013
Short-term investments	**56,406**	17,690
	184,802	92,703

(a) Risk exposure
The Group's exposure to interest rate risk is discussed in note 2. The maximum exposure to credit risk at the reporting date is the carrying amount of each class of cash and cash equivalents mentioned above.

(b) Restricted cash in the People's Republic of China
Cash and bank balance as at 30 June 2013 included restricted cash of RMB 50,002,000 (A$8,854,000) cash held by some subsidiaries in the People's Republic of China (2012: A$7,015,000) which can be used in the People's Republic of China, but is not freely convertible into other currencies for transfer around the Group.

(c) Short term investments
Short term investments comprise mainly bank deposits, debentures and fixed income funds held by subsidiaries of SEEK's controlled entities Brasil Online, Zhaopin and OCC. These highly liquid deposits and investments are readily convertible into known cash amounts and are subject to insignificant risk of changes of value.

10. Trade and other receivables

	2013 $'000	2012 Restated* $'000
Trade receivables	**58,115**	55,475
Less: provisions for impairment of receivables (note a)	**(6,597)**	(5,970)
	51,518	49,505
Other receivables (note c)	**19,849**	17,300
Prepayments	**11,251**	4,468
	82,618	71,273

* Refer to note 29(b) for details of restatement on the completion of acquisition accounting for Brasil Online and OCC.

(a) Provisions for impaired trade receivables

As at 30 June 2013 the amount of the provision for the current trade receivables was $6,597,000 (2012: $5,970,000) with:

- Provision for doubtful debts $3,772,000 (2012: $2,248,000)
- Credit note provisions $2,825,000 (2012: $3,722,000)

The Group had recognised a loss of $6,147,000 (2012: $5,732,000) in respect of impaired trade receivables during the year ended 30 June 2013.

Movements in the provision for impairment of receivables are as follows:

	Notes	2013 $'000	2012 $'000
Opening balances		**5,970**	7,642
Provision for impairment recognised during the year		**6,147**	5,732
Utilisation of provision for credit notes and receivables written off		**(5,492)**	(7,436)
Unused amount reversed		**(501)**	(377)
Acquisition of subsidiaries	29	**312**	419
Exchange differences		**161**	(10)
Closing balance		**6,597**	5,970

The creation or release of the doubtful debts provision has been included in 'operations and administration' expense in the consolidated income statement and the creation or the release of the credit note provision has been included within revenue. Amounts charged to the provision are generally written off when there is no expectation of recovering additional cash.

10. Trade and other receivables continued

(b) Ageing of net trade receivables from due date

	2013 $'000	2012 $'000
Current - 30 days	**44,141**	43,951
30 - 60 days(1)	**4,864**	3,773
60 - 90 days(1)	**1,556**	1,124
90 - 120 days(1)	**574**	347
120+ days(1)	**383**	310
Closing balance	**51,518**	49,505

1. Past due and not considered impaired. Trade receivables are considered past due when they are not collected within credit terms.

The Group does not hold any collateral in relation to these receivables.

(c) Other receivables

The other receivables balance mainly represents accrued revenue in the Education business.

The other classes within trade and other receivables do not contain impaired assets and are not past due. Based on the credit history of these other classes, it is expected that these amounts will be received when due.

(d) Foreign exchange and interest rate risk

Information about the Group's exposure to foreign currency risk and interest rate risk in relation to trade and other receivables is provided in note 2.

(e) Fair value and credit risk

Due to the short-term nature of these receivables, their carrying amount is assumed to approximate their fair value.

The maximum exposure to credit risk at the reporting date is the carrying amount of each class of receivables mentioned above. Refer to note 2 for more information on the risk management policy of the Group and the credit quality of the entity's trade receivables.

11. Investments accounted for using the equity method

The results of associates and the jointly controlled entity are reflected in the results of the Group for the period from the later of the date of SEEK's investment or 1 July 2012 to the earlier of the date the investment ceased to be an associate or jointly controlled entity or 30 June 2013.

(a) Details of associates and jointly controlled entity

Information relating to associates and the jointly controlled entity is set out below:

Associates (c)	Country of Incorporation	Ownership interest % 2013	Ownership interest % 2012	Year end	Principal activities
IDP Education Pty Ltd ("IDP")	Australia	**50.0**	50.0	30 June	Provides services for international students wishing to study in Australian educational institutions and also provides International English Language Testing (IELTS)
Zhaopin Limited ("Zhaopin")	The Cayman Islands	**78.4**[(c(i))]	56.1	31 December	Provides both online and print employment classified advertising services in China
JobStreet Corporation Berhad ("JobStreet")	Malaysia	**22.4**	22.0	31 December	Provider of online employment websites in Asia (listed in Malaysia)
Private Property Holdings Pty Ltd ("One Africa Media" or "OAM")	South Africa	**27.0**[(1)]	-	28 February	Owns, operates and invests in a portfolio of African market leading online marketplaces in the segments of jobs, cars, real estate and travel
Jointly controlled entity (e)					
Online Education Services Pty Ltd ("Swinburne Online")	Australia	**50.0**	50.0	30 June	A joint venture entity between SEEK and Swinburne University of Technology to deliver online learning to students

1. At 30 June 2013 SEEK's share ownership in OAM is 27.0%. Several contracted transactions relating to share ownership are in the process of completion and will dilute SEEK's ownership to 25.0%.

(b) Investments in associates and jointly controlled entity

	Notes	2013 $'000	2012 $'000
Carrying amount			
Investments in associates	11(c)	**148,234**	195,637
Investments in jointly controlled entity	11(e)	**4,145**	426
Total investments accounted for using equity method		**152,379**	196,063
Share of profits/(losses) after income tax			
Associates	11(c)	**25,862**	32,899
Jointly controlled entity	11(e)	**1,219**	(2,028)
Share of profits of associates and jointly controlled entity accounted for using the equity method		**27,081**	30,871

Cash outflows relating to associates and jointly controlled entity	Notes	2013 $'000	2012 $'000
Payment for additional interest in Swinburne Online	11(e)	**2,500**	-
Payment for interest in One Africa Media, net of cash flow hedge	11(c)	**20,458**	-
Payment for interests in associates and jointly controlled entities		**22,958**	-

11. Investments accounted for using the equity method continued

(c) Movements in carrying amounts - associates

	Notes	IDP $'000	Zhaopin $'000	Brasil Online $'000	JobStreet $'000	OCC $'000	OAM $'000	Total $'000
Carrying amount as at 30 June 2011		71,175	56,644	101,028	43,685	40,944	-	313,476
Dividends and distributions received or declared in the year		(6,000)	-	(4,235)	(1,544)	(1,076)	-	(12,855)
Share of profits after income tax		8,161	16,490	4,654	2,773	821	-	32,899
Movement in reserves:								
- foreign currency translation reserve	20(a)	43	4,102	(14,830)	(115)	(4,414)	-	(15,214)
- cash flow hedge reserve	20(a)	223	-	-	-	-	-	223
Acquisition of additional controlling interest		-	-	(86,617)	-	(36,275)	-	(122,892)
Carrying amount as at 30 June 2012		**73,602**	**77,236**	**-**	**44,799**	**-**	**-**	**195,637**
Investments during the year at cost		**-**	**-**	**-**	**-**	**-**	**21,424**	**21,424**
Dividends and distributions received or declared in the year		**(11,000)**	**-**	**-**	**(2,591)**	**-**	**-**	**(13,591)**
Share of profits after income tax		**10,597**	**11,257**	**-**	**4,008**	**-**	**-**	**25,862**
Movements in reserves:								
- foreign currency translation reserve	20(a)	**48**	**(569)**	**-**	**5,125**	**-**	**1,064**	**5,668**
- cash flow hedge reserve	20(a)	**1,158**	**-**	**-**	**-**	**-**	**-**	**1,158**
Acquisition of additional controlling interest	29(a)	**-**	**(87,924)**	**-**	**-**	**-**	**-**	**(87,924)**
Carrying amount as at 30 June 2013		**74,405**	**-**	**-**	**51,341**	**-**	**22,488**	**148,234**

(i) Zhaopin

During the year, the Group acquired a controlling interest in Zhaopin (refer to note 29(a) for further information on this transaction). From the date of step acquistion, the Group has accounted for Zhaopin as a subsidiary and consolidated it into the Group. Prior to this, the Group had accounted for its interest in Zhaopin as an associate under the equity method.

(ii) One Africa Media ("OAM")

On 20 June 2013, SEEK acquired an interest in One Africa Media. OAM owns, operates and invests in a portfolio of leading online marketplaces across jobs, cars, real estate and travel. The company presents SEEK a strategic opportunity to benefit from the significant long-term growth opportunities for online classifieds businesses and is headquartered in South Africa.

At 30 June 2013 SEEK’s share ownership is 27.0%, however several contracted transactions relating to share ownership are in the process of completion which will dilute SEEK’s ownership to 25.0%.

SEEK made a cash payment of US$20,000,000 (A$21,424,000 including acquisition costs at the exchange rate on the date of the transaction) in settlement of the acquisition. The investment was financed through SEEK's cash reserves, and comprised of a share subscription in OAM of US$18,300,000 and a share purchase of US$1,700,000 to minority shareholders.

To reduce the impact of foreign exchange risk, SEEK entered into forward foreign exchange contracts. These reduced the net cash payment for the acquisition to A$20,458,000. The pre-tax foreign exchange gain of A$966,000 has been recognised in the cash flow hedge reserve.

11. Investments accounted for using the equity method continued

(iii) Brasil Online

On 31 May 2012, the Group acquired an additional 21.0% interest in Brasil Online for US$78,750,000 (A$80,563,000 at the exchange rate on the date of the transaction). The acquisition was funded through cash and an additional $30,000,000 drawdown on the syndicated bank debt facility and took the total interest held in Brasil Online to 51.0%. As a result of this transaction, Brasil Online is now considered a subsidiary of SEEK and has been consolidated into the Group from the date of acquisition. Refer to note 29(b) for additional information on this transaction.

(iv) OCC

On 19 June 2012, the Group acquired an additional 15.6% interest in OCC for US$22,500,000 (A$22,250,000 at the exchange rate on the date of the transaction). The acquisition was funded through cash and took the total interest held in OCC to 56.7%. As a result of this transaction, OCC is now considered a subsidiary of SEEK and has been consolidated into the Group from the date of acquisition. Refer to note 29(b) for additional information on this transaction.

(v) JobStreet

JobStreet is listed in Malaysia. At 30 June 2013, the market value of the Group's investment in JobStreet was $95,233,000 (2012: $47,733,000), based on the published share price as at that date.

(d) Summarised financial information of associates

(i) Group's share of the results and aggregated assets (including goodwill) and liabilities of its associates

		Group's share of			
	Ownership %	Assets $'000	Liabilities $'000	Revenues $'000	Profit $'000
30 June 2013					
IDP	**50.0%**	**74,913**	**22,840**	**108,578**	**10,597**
Zhaopin[(1)]		**-**	**-**	**-**	**11,257**
JobStreet	**22.4%**	**21,883**	**4,793**	**12,190**	**4,008**
OAM	**27.0%**	**6,757**	**614**	**-**	**-**
Total		**103,553**	**28,247**	**120,768**	**25,862**
30 June 2012					
IDP	50.0%	67,120	16,106	102,317	8,161
Zhaopin	56.1%	64,032	38,335	66,036	16,490
Brasil Online[(2)]		-	-	-	4,654
JobStreet	22.0%	18,726	3,899	10,531	2,773
OCC[(3)]		-	-	-	821
Total		149,878	58,340	178,884	32,899

1. Represents profit as an associate from 1 July 2012 until 18 February 2013 when Zhaopin became a subsidiary. Refer to note 29(a) for details.
2. Represents profit as an associate from 1 July 2011 until 31 May 2012 when Brasil Online became a subsidiary. Refer to note 29(b) for details.
3. Represents profit as an associate from 1 July 2011 until 19 June 2012 when OCC became a subsidiary. Refer to note 29(b) for details.

11. Investments accounted for using the equity method continued

(ii) Contingent assets and liabilities of associates

The Group's share of contingent liabilities in associates are as follows:

JobStreet

In 2008, JobStreet provided a corporate guarantee for SGD 5.5 million to a financial institution for a treasury/ foreign exchange facility granted to the company's wholly-owned subsidiary, JobStreet.com Pte. Ltd. SEEK's share of this guarantee is $1,065,000.

(iii) Commitments

The Group's share of expenditure commitments, relating to operating lease commitments, non-cancellable advertising contracts and capital commitments are as follows:

- IDP $7,054,000 (2012: $3,013,000)
- JobStreet $91,000 (2012: $28,000)

(e) Jointly controlled entity - Swinburne Online

In accordance with the accounting policy described in note 1(b), the Group's interest in Swinburne Online is accounted for in its consolidated financial statements using the equity method of accounting.

Further information relating to the joint venture is set out below:

	2013 $'000	2012 $'000
Opening carrying amount at 30 June	**426**	2,454
Investment during the year, at cost	**2,500**	-
Share of profits/(losses) after income tax	**1,219**	(2,028)
Closing carrying amount at 30 June	**4,145**	426

Group share of:		
Assets	**7,040**	1,565
Liabilities	**1,486**	625
Revenues	**11,672**	1,087
Share of profits/(losses) after income tax	**1,219**	(2,028)

The Group's share of expenditure commitments, relating to operating lease commitments and non-cancellable advertising contracts is $419,000 (2012: $287,000).

Swinburne Online has no contingent liabilities or capital commitments at 30 June 2013 (30 June 2012: nil).

12. Other financial assets

(a) Current financial assets

	2013 $'000	2012 $'000
Hedge assets (i)	**2,274**	630
Short-term bonds (ii)	**193**	-
Funds on deposit for entrusted loan facilities (iii)	**50,941**	-
Total other current financial assets	**53,408**	630

(b) Non-current financial assets

	2013 $'000	2012 $'000
Funds on deposit for entrusted loan facilities (iii)	**33,788**	-

(i) Hedge assets

The Group is party to derivative financial instruments in the normal course of business in order to hedge exposure to fluctuations in interest and foreign exchange rates in accordance with the Group's financial risk management policies (refer to note 2).

Forward foreign exchange options

During 2013 and at balance sheet date, the Group maintained borrowings denominated in USD. The Group has taken out forward foreign exchange contracts and foreign exchange option contracts to purchase USD in order to protect against unfavourable exchange rate movements.

The portion of the gain or loss on the hedging instrument that is deemed to be an effective hedge is recognised in other comprehensive income. Net changes to the fair value of these options are recognised in profit and loss as 'finance costs'.

(ii) Short term bonds

Short term bonds represent investments in corporate and government bonds held by SEEK's controlling entity OCC. Investments are classified as held for trading and are stated at market value.

(iii) Funds on deposit for entrusted loan facilities

Zhaopin entrusted loan facilities are supported by funds on deposit of RMB 478,690,000 (A$84,729,000). Refer to notes 16(b)(ii) and 29(a) for further information.

13. Plant and equipment

	Notes	2013 $'000	2012 $'000
Opening at 1 July			
Cost		**65,211**	50,863
Accumulated depreciation		**(40,467)**	(31,662)
Net book amount at 1 July		**24,744**	19,201
Carrying amount at 1 July		**24,744**	19,201
Additions		**11,794**	8,767
Disposals		**(73)**	(174)
Acquisition of subsidiaries	29	**5,260**	5,753
Exchange differences		**785**	2
Depreciation expense	7	**(10,978)**	(8,805)
Carrying amount at 30 June		**31,532**	24,744
Closing at 30 June			
Cost		**92,912**	65,211
Accumulated depreciation		**(61,380)**	(40,467)
Net book amount at 30 June		**31,532**	24,744

(a) Leased assets

Plant and equipment includes the following amounts where the Group is a lessee under a finance lease:

	2013 $'000	2012 $'000
Computer equipment under lease		
Cost	**520**	-
Accumulated depreciation	**(75)**	-
Net book amount	**445**	-

14. Intangible assets

Consolidated	Notes	Goodwill $'000	Brands and licences $'000	Course development and accreditation $'000	Customer relationships $'000	Computer software and website development $'000	Work in progress $'000	Total $'000
At 1 July 2011								
Cost		368,338	61,035	7,313	23,420	17,031	1,883	479,020
Accumulated amortisation		-	-	(1,950)	(3,485)	(9,998)	-	(15,433)
Net book amount		368,338	61,035	5,363	19,935	7,033	1,883	463,587
Year ended 30 June 2012 Restated*								
Opening net book amount		368,338	61,035	5,363	19,935	7,033	1,883	463,587
Exchange differences		(9,195)	(2,908)	-	658	(196)	-	(11,641)
Additions		-	-	1,658	-	1,466	5,089	8,213
Transfers		-	-	-	-	2,834	(2,834)	-
Acquisition of subsidiaries(2)	29(b)	459,838	89,752	-	9,950	3,069	-	562,609
Amortisation charge(1)	7	-	-	(1,571)	(6,144)	(3,930)	-	(11,645)
Impairment charge	14(b)	(22,500)	(1,615)	-	-	-	-	(24,115)
Closing net book amount		796,481	146,264	5,450	24,399	10,276	4,138	987,008
At 30 June 2012 Restated*								
Cost		796,481	146,264	8,971	34,028	24,204	4,138	1,014,086
Accumulated amortisation		-	-	(3,521)	(9,629)	(13,928)	-	(27,078)
Net book amount		796,481	146,264	5,450	24,399	10,276	4,138	987,008
Opening net book amount		**796,481**	**146,264**	**5,450**	**24,399**	**10,276**	**4,138**	**987,008**
Exchange differences		**118,398**	**26,299**	**-**	**3,307**	**2,061**	**-**	**150,065**
Additions		**-**	**-**	**1,444**	**-**	**2,142**	**10,893**	**14,479**
Transfers		**-**	**-**	**867**	**-**	**11,546**	**(12,413)**	**-**
Acquisition of subsidiaries(3)	29(a)	**374,038**	**110,234**	**-**	**11,163**	**9,326**	**-**	**504,761**
Amortisation charge(1)	7	**-**	**-**	**(1,698)**	**(10,236)**	**(8,003)**	**-**	**(19,937)**
Impairment charge	14(a)	**(1,320)**	**-**	**-**	**-**	**-**	**-**	**(1,320)**
Closing net book amount		**1,287,597**	**282,797**	**6,063**	**28,633**	**27,348**	**2,618**	**1,635,056**
At 30 June 2013								
Cost		**1,287,597**	**282,797**	**11,293**	**51,009**	**54,039**	**2,618**	**1,689,353**
Accumulated amortisation		**-**	**-**	**(5,230)**	**(22,376)**	**(26,691)**	**-**	**(54,297)**
Net book amount		**1,287,597**	**282,797**	**6,063**	**28,633**	**27,348**	**2,618**	**1,635,056**

* Refer to note 29(b) for details of restatement on the completion of acquisition accounting for Brasil Online and OCC.

1. Amortisation charges have been included within 'operations and administration' expenses in the consolidated income statement.
2. Includes identifiable intangible assets acquired through the purchase of Brasil Online and OCC.
3. Includes identifiable intangible assets acquired through the purchase of Zhaopin.

14. Intangible assets continued

Intangible assets are amortised over their estimated useful life (as listed below) on a straight line basis:

- Goodwill, brands and licences - indefinite life and not amortised;
- Course development and accreditation - five years;
- Customer relationships - one to six years; and
- Computer software and website development - three to six years.

(a) Cash-generating-units (CGUs)

For the purpose of undertaking impairment testing, the Group has determined its CGUs as the smallest group of assets that generate cash inflows that are largely independent of the cash inflows from other assets or groups of assets. This assessment is usually determined by considering business and operating segments and areas of operation.

A segment level summary of the carrying amount of goodwill and intangible assets with indefinite useful lives is detailed below:

		2013		2012	
Business segment	CGU	**Goodwill $'000**	**Intangible assets with indefinite useful lives $'000**	Goodwill Restated* $'000	Intangible assets with indefinite useful lives Restated* $'000
Employment	SEEK New Zealand	**5,165**	**-**	4,779	-
Education	DWT[(1)]	**820**	**-**	2,140	-
Education	SEEK Learning	**3,666**	**-**	3,666	-
Education	THINK	**59,789**	**19,274**	59,789	19,274
International	JobsDB	**320,434**	**46,672**	288,596	42,059
International	Brasil Online	**325,404**	**68,057**	313,792	65,629
International	OCC	**143,376**	**22,368**	123,719	19,302
International	Zhaopin	**428,943**	**126,426**	-	-
Total		**1,287,597**	**282,797**	796,481	146,264

* Refer to note 29(b) for details of restatement on the completion of acquisition accounting for Brasil Online and OCC.

1. In 2013 an impairment charge of $1,320,000 was recognised for DWT.

(b) Impairment testing and key assumptions

The Group tests whether goodwill and other intangible assets have suffered any impairment in accordance with the accounting policy stated in note 1(h). The recoverable amounts of assets and CGUs have been determined based on the higher of value-in-use and fair value less costs to sell. These calculations require the use of key assumptions including advertising volumes and price in the online employment marketplaces, student numbers and course price in the Education segment, as well as pre-tax discount rates.

14. Intangible assets continued

The table below shows the pre-tax discount rates for each CGU where value in use has been used:

		Pre-tax discount rate	
		2013	2012
		%	%
Employment	SEEK New Zealand	**17.8**	17.9
Education	SEEK Learning	**13.5**	14.6

(i) SEEK New Zealand and SEEK Learning

The goodwill balances for SEEK New Zealand and SEEK Learning are relatively small amounts in the consolidated balance sheet and have been held for several years. The recoverable amounts have been determined based on cash flow projections using a value in use methodology. The cash flow projections were derived from five years of internal forecasts based on next year's budgeted result, with the remaining years based on management forecasts, and a real growth of 0% beyond five years. The pre-tax discount rates applied to these CGUs are 17.8% and 13.5% (2012: 17.9% and 14.6%).

For these businesses any reasonable possible change in assumptions would not result in the carrying value exceeding the recoverable amounts.

(ii) THINK

THINK is a leading provider of private vocational education in Australia, and comprises a group of CGUs.

The SEEK's consolidated balance sheet contains goodwill and intangible assets with indefinite useful lives (brands and licences) relating to THINK. An impairment charge of $24,115,000, allocated between brands and licences ($1,615,000) and goodwill ($22,500,000), was recognised in the consolidated income statement in 2012.

For the purpose of impairment testing:

- Goodwill is tested across THINK's group of CGUs; and
- Intangible assets with indefinite useful lives (brands and licences) are tested at the applicable College level.

The recoverable amounts have been determined based on fair value less cost to sell assessments, using five year cash flow forecasts sourced from next year's budgeted result and the remaining years derived from management forecasts. A terminal value beyond five years is derived using a real growth rate of 0% with estimated future cash flows discounted to present value using a pre-tax discount rate of 15.4% (2012: 15.6%).

Future net cash flows of the THINK business are based on the key assumptions noted above, each of which are subject to some uncertainty. Any reasonable change in the key assumptions does not cause the carrying amounts to exceed their recoverable amounts.

14. Intangible assets continued

(iii) JobsDB

JobsDB is a leading provider of online employment marketplaces operating across seven countries throughout Asia. Each key region has been determined as a CGU. The goodwill balance for JobsDB is a significant component of the consolidated balance sheet and is attributable to JobsDB's strong position across key markets throughout Asia and the high growth potential in these emerging markets.

As discussed above in (a), for the purpose of impairment testing goodwill and the JobsDB brand are tested across this group of CGUs.

A fair value less cost to sell assessment has been performed using ten year cash flow forecasts to reflect the long term growth potential for this group of CGU's. The cash flows are based on next year's budgeted result and the remaining years derived from management forecasts. A terminal value beyond year ten is derived using a real growth rate of 0% with estimated future cash flows discounted to present value using a pre-tax discount rate of 16.3% (2012: n/a).

Future net cash flows of the group of JobsDB CGUs are based on the key assumptions noted above, each of which are subject to some uncertainty. Any reasonable change in the key assumptions does not cause the carrying amounts to exceed their recoverable amounts.

(iv) Brasil Online and OCC (goodwill and intangible assets with indefinite useful lives first recognised during the year ending 30 June 2012)

Brasil Online operates the two leading employment websites in Brazil, Catho Online and Manager Online, and considers them as two CGUs. For the purpose of impairment testing:

- Goodwill is tested across this group of two CGUs; and
- Intangible assets with indefinite useful lives (brands and licences) are tested at the applicable CGU level.

OCC is the leading employment marketplace in Mexico, and has been determined as a CGU in its entirety. OCC's goodwill and intangible assets with indefinite useful lives (brands and licences) are tested annually for impairment.

Brasil Online and OCC were consolidated into the SEEK Group when control was gained on 31 May 2012 and 19 June 2012 respectively. The carrying value of the assets and liabilities has been determined based on a purchase price allocation exercise performed by an external consultant in the twelve months post acquisition (note 29(b)). The independent purchase price allocation exercise was performed based on best estimates of the businesses' cash flow forecasts and applicable discount rates.

At 30 June 2013, the recoverable amount of these assets have been determined based on fair value less costs to sell, with reference to the recently completed independent purchase price exercise and other supplementary internal and external analysis. Management has reviewed the assumptions adopted in the purchase price allocation exercise to ensure that there are no indicators to suggest that the fair values of Brasil Online or OCC have significantly changed since acquisition or completion of the independent valuation.

In the next financial year, the recoverable amount will be assessed based on future cash flow forecasts derived from budgeted results, long-term profit forecasts and applicable pre-tax discount rates for each business.

(v) Zhaopin (goodwill and intangible assets with indefinite useful lives recognised during the year)

Zhaopin operates a leading employment marketplace in China and has been determined as a CGU in its entirety.

Zhaopin was consolidated into the SEEK Group when control was gained on 19 February 2013, at which stage goodwill and intangible assets with indefinite useful lives (brands and licences) were recognised (refer note 29(a)). At 30 June 2013 the recoverable amounts of its assets have been assessed based on their fair value less costs to sell, determined with reference to the recent purchase price of the acquired interests. There are no indicators to suggest that the fair value of Zhaopin has significantly changed since acquisition.

15. Trade and other payables

	2013 $'000	2012 Restated* $'000
Trade and other payables	**71,903**	48,362
GST and other value added taxes payable	**4,708**	3,189
Total trade and other payables	**76,611**	51,551

* Employee benefits provision at 30 June 2012 has been restated to reallocate the provision for annual leave to 'current provisions' which had previously been included within 'trade and other payables'.

(a) Risk exposure

Information about the Group's exposure to foreign exchange risk is provided in note 2.

16. Borrowings

(a) Current borrowings

	2013 $'000	2012 $'000
Entrusted loan facilities (ii)	**44,839**	-
Short-term loan (iii)	**7,040**	-
Current lease liability	**173**	-
Total current borrowings	**52,052**	-

(b) Non-current borrowings

	2013 $'000	2012 $'000
Bank borrowings - principal (i)	**389,420**	320,487
Entrusted loan facilities (ii)	**29,528**	-
Long-term loan (iii)	**21,165**	-
Non-current lease liability	**271**	-
Less: transaction costs capitalised	**(3,596)**	(2,054)
Total non-current borrowings	**436,788**	318,433

(i) Syndicated facility (unsecured)

On 19 September 2012 the Group re-financed its debt facility and the pre-existing A$340,000,000 facility was extinguished. A new syndicated facility was established, and as per the previous facility, the structure is a revolving, unsecured, syndicated senior debt facility. Key features of the facility include:

- Tranche A: A$225,000,000 (3 year tenor)
- Tranche B & C: A$125,000,000 & US$100,000,000 (4 year tenor)
- Overall margins and debt covenants remain broadly consistent with the previous facility.

The new facility is provided by a syndicate comprising the National Australia Bank, Westpac Banking Corporation, ANZ, Commonwealth Bank and HSBC.

Unamortised transaction costs associated with the previous facility of A$1,712,000 were charged to 'finance costs' in the consolidated income statement.

As at 30 June 2013, A$389,420,000 principal had been drawn down against the new facility, comprising A$280,000,000 and US$100,000,000. Transaction costs of A$2,434,000 were incurred to establish the facility and have been capitalised on the consolidated balance sheet of which A$1,908,000 has not yet been amortised through the consolidated income statement.

16. Borrowings continued

(ii) USD entrusted loan facilities - Zhaopin Limited

During the financial year, the Group acquired a controlling interest in Zhaopin Ltd. Refer to note 29(a) for further details of this transaction and ownership interests.

The transaction was partially funded by Zhaopin establishing entrusted loan facilities of US$68,000,000 with CMB, HSBC and ANZ. Interest is calculated on the principal outstanding at each interest period. The interest period and interest rates are agreed at each interest period. The entrusted loan facilities mature between January 2014 and August 2014.

Transaction costs of A$1,244,000 (RMB 7,031,000) were incurred to establish the facilities and have been capitalised on the consolidated balance sheet of which A$1,022,000 (RMB 5,774,000) has not been amortised through the consolidated income statement.

The facilities are supported by funds on deposit of RMB 478,690,000 (A$84,729,000) within the Zhaopin Group and are non-recourse to the SEEK Limited wholly-owned group. The Group has also entered into foreign exchange transactions and interest rate swaps to hedge against currency and interest rate fluctuations on repayments of these facilities. The fair value of these hedge transactions (A$352,000 liability, of which SEEK's share is A$276,000) has been recognised in the cash flow hedge reserve in note 20(a).

(iii) HKD Loan Facility - SEEK Asia

In March 2013, SEEK Asia acquired the remaining 20% of JobsDB following the vendor's decision to exercise his option to sell. The transaction was partially funded by establishing an amortising loan facility of HK$250,000,000 in SEEK Asia.

The facility was fully drawn in March 2013. It was supported by guarantees, cross guarantees and security provided by agreed SEEK Asia subsidiaries.

Establishment and transaction costs of A$919,000 (HK$6,511,000) were incurred to establish the facility and have been capitalised on the consolidated balance sheet of which A$666,000 (HK$4,720,000) has not yet been amortised through the consolidated income statement.

The interest rate on bank borrowings has varied during the year from 3.8% to 4.4%. Interest is calculated on the principal outstanding at each interest period. The interest period and interest rates are agreed at each interest period.

Under the debt facility, certain entities within the SEEK Asia Group are required to meet a number of covenants, all of which have been fully complied with during the period and as at the date of this report.

At 30 June 2013 the principal loan balance was A$28,205,000 (HK$200,000,000).

(c) Risk exposure

Details of the Group exposure to risks arising from borrowings are set out in note 2.

17. Other financial liabilities

	2013 $'000	2012 $'000
Put option (i)	**36,739**	81,216
Deferred consideration (ii)	**1,413**	1,271
Hedge liabilities (iii)	**5,498**	-
Total other financial liabilities	**43,650**	82,487

(i) Put option

Zhaopin acquisition

During the financial year, the Group acquired a controlling interest in Zhaopin Ltd. Refer to note 29(a) for further details of this transaction and ownership interests.

Related to the above transaction is a separate arrangement whereby SEEK may be required to acquire additional ownership interests in Zhaopin during the period from 1 October 2013 to 30 September 2014.

At 30 June 2013 the Group has recognised a financial liability of A$36,739,000 (US$33,576,000) which represents the net present value of the expected cash consideration to be paid for the above arrangement, at exchange rate on that date. Related to this liability, an exchange rate loss of A$4,129,000 has been deferred in net investment hedge reserve at note 20(a).

The Group has also recognised an expense of A$98,000 through 'finance costs' in the consolidated income statement for the difference between the net present value of the arrangement and the expected cash consideration.

JobsDB acquisition

During the financial year ended 30 June 2011, SEEK Asia acquired a controlling interest in JobsDB.

In relation to the remaining ownership of JobsDB held by the vendor, between 23 June 2012 and 23 June 2014 the vendor was granted the option to sell up to 20% of its remaining interest in JobsDB to SEEK Asia. At 30 June 2012 the SEEK Group recognised a financial liability of A$81,216,000 which represented the net present value of the expected cash consideration to be paid to the vendor should the option be exercised at current exchange rates.

On 20 December 2012 the vendor of JobsDB exercised its right to sell the remaining 20% of the business to SEEK Asia. The final value, under the terms of the original shareholders' agreement, has been determined at HK$640,000,000. The transaction was settled on 20 March 2013, funded partially by a HK$250,000,000 loan facility in SEEK Asia with the remainder funded by SEEK and the co-investors in SEEK Asia in accordance with their respective ownership percentage. Further details on the SEEK Asia loan facility are disclosed in note 16(b)(iii).

Cash outflow from this transaction was A$79,835,000. Co-investors contributed A$15,135,000.

(ii) Deferred consideration

This balance represents amounts which may be required to be paid to the vendor of JobsDB at a future date to be agreed with the vendor and are translated at 30 June exchange rates.

(iii) Hedge liabilities

Cross currency swap contracts - net investment hedge

During 2012, SEEK entered into a net investment hedge for HK$388,725,000 (A$50,000,000). This is designated as a hedge against the Hong Kong assets, thereby protecting this portion of assets against depreciation of the HKD over the three year life of the swap.

A loss of A$4,836,000 (2012: A$672,000 gain) has been recognised in the consolidated statement of comprehensive income reflecting the fair value of the net investment hedge at 30 June 2013.

Interest rate swap contracts - cash flow hedge

The Group has entered into interest rate swap contracts under which it is obliged to receive interest at variable rates and to pay interest at fixed rates. The contracts require settlement of net interest receivable or payable each 90 days. The settlement dates coincide with the dates on which interest is payable on the underlying debt. The contracts are settled on a net basis.

A loss of $662,000 (2012: $42,000) has been recognised in the consolidated statement of comprehensive income reflecting the change in fair value of the interest rate swap in the financial year.

18. Provisions

(a) Current provisions

	Notes	2013 $'000	2012 Restated* $'000
Employee benefits provision(1)		**10,266**	7,493
Lease incentives		**1,015**	833
Make-good provisions		**732**	-
Other provisions (b)	18(b)	**21,478**	-
Total current provisions		**33,491**	8,326

* Employee benefits provision at 30 June 2012 has been restated to reallocate the provision for annual leave to 'current provisions' which had previously been included within 'trade and other payables'

1. Includes long service leave, all of which is expected to be used in the next 12 months.

Movement in provisions

The movement in lease incentives, make-good provisions and other provisions during the financial year is set out below:

	Notes	2013 $'000	2012 $'000
Lease incentives			
Carrying amount at the start of the year		**833**	583
Additional provision recognised in the year		**479**	429
Transferred from non-current provisions		**973**	447
Credited to the consolidated income statement		**(1,270)**	(626)
Carrying amount at the end of the year		**1,015**	833
Make-good provisions			
Carrying amount at the start of the year		-	-
Transferred from non-current provisions		**732**	-
Carrying amount at the end of the year		**732**	-
Other provisions			
Carrying amount at the start of the year		**-**	-
Assumed in a business combination	29(a)	**18,735**	-
Exchange differences		**2,743**	-
Carrying amount at the end of the year		**21,478**	-

(b) Other current provisions

During the financial year, the Group acquired a controlling interest in Zhaopin Ltd. Refer to note 29(a) for further details of this transaction and ownership interests.

Other current provisions predominantly relate to dividend withholding tax liabilities and contingent liabilities acquired as part of the above transaction.

	Notes	2013 $'000	2012 $'000
Dividend withholding tax		**4,404**	-
Acquired contingent liabilities (i)		**17,074**	-
Total	18(a)	**21,478**	-

(i) Acquired contingent liabilities

As disclosed in note 29(a) and in accordance with the Group's accounting policy as described in note 1(g), in 2013 the Group recognised the fair value of contingent liabilities acquired as part of the Zhaopin business combination.

18. Provisions continued

(c) Non-current provisions

	Notes	2013 $'000	2012 Restated* $'000
Employee benefits provision[1]		**2,727**	1,748
Lease incentives		**3,391**	2,660
Make-good provisions		**2,086**	2,572
Other non-current provisions (d)	18(d)	**19,308**	32,173
Total non-current provisions		**27,512**	39,153

* Refer to note 29(b) for details of restatement on the completion of acquisition accounting for Brasil Online and OCC.

1. Includes long service leave and cash long-term incentive.

Movements in provisions

The movement in lease incentives, make-good provisions and other provisions during the financial year is set out below:

	2013 $'000	2012 Restated* $'000
Lease incentives		
Carrying amount at the start of the year	**2,660**	1,365
Additional provision recognised in the year	**1,704**	1,742
Transferred to current provisions	**(973)**	(447)
Carrying amount at the end of the year	**3,391**	2,660
Make-good provisions		
Carrying amount at the start of the year	**2,572**	1,623
Additional provision recognised in the year	**372**	949
Transferred to current provisions	**(732)**	-
Credited to the consolidated income statement	**(126)**	-
Carrying amount at the end of the year	**2,086**	2,572
Other non-current provisions		
Carrying amount at the start of the year	**32,173**	-
Assumed in a business combination	**-**	34,668
Additional provision recognised in the year	**85**	86
Utilised during the period	**(13,689)**	-
Exchange differences	**739**	(2,581)
Carrying amount at the end of the year	**19,308**	32,173

* Refer to note 29(b) for details of restatement on the completion of acquisition accounting for Brasil Online and OCC.

18. Provisions continued

(d) Other non-current provisions

Other provisions relate to a number of outstanding legal, tax and social security provisions in Brasil Online and its subsidiaries, most of which were acquired on acquisition.

The decrease in other provisions during the year is mainly due to a subsidiary of Brasil Online, Catho Online Ltda, settling civil lawsuits which were fully provided for in the acquired balance sheet. The remaining cases may take a number of years to come to conclusion and the difference between the settlement amounts and the amounts provided for may be material.

	Notes	2013 $'000	2012 Restated* $'000
Legal		**218**	3,962
Tax (i)		**5,276**	6,219
Other provision		**2,841**	2,825
Acquired contingent liabilities (ii)		**10,973**	19,167
Total	18(c)	**19,308**	32,173

* Refer to note 29(b) for details of restatement on the completion of acquisition accounting for Brasil Online.

As noted above, there are a number of outstanding legal, tax and social security cases and details of the significant and material cases for which a provision has been made have been provided below. The remaining cases are considered to be immaterial individually and in aggregate.

(i) Tax cases provision

Catho Online (a subsidiary of Brasil Online) is subject to a number of tax infraction notices from the tax authority in Brazil. These tax infractions are either open, subject to legal proceedings, or under appeal after legal proceedings. Based on advice from local legal counsel, Catho has estimated the most likely amounts payable including penalties and interest and have recognised this amount as a provision.

(ii) Acquired contingent liabilities

As disclosed in note 29(b) and in accordance with the Group's accounting policy as described in note 1(g), in 2012 the Group recognised the fair value of contingent liabilities acquired as part of the Brasil Online business combination.

(e) Unrecognised contingent liabilities

The Group has $9,960,000 of unrecognised contingent liabilities at 30 June 2013 (2012 Restated: $9,055,000) which relate to tax, labour and social security cases in Brasil Online and its subsidiaries.

Unrecognised contingent liabilities represent the possible (but not probable) cash outflow in excess of any provision. They do not represent management's expectation of likely outflow and are not recognised on the balance sheet. They are disclosed unless the possibility of outflow is remote.

19. Contributed equity

(a) Share capital

	Consolidated and parent entity			
	2013 Shares	2012 Shares	**2013 $'000**	2012 $'000
Ordinary shares				
Issued and fully paid	337,833,019	337,101,307	189,525	186,525

(b) Movements in ordinary share capital

Date	Details	Number of shares	Average issue price	$'000
1 July 2011	Balance	336,584,488		183,950
5 July 2011	Exercise of Director options	471,011	$5.29	2,491
5 July 2011	Exercise of performance rights and options	10,208	-	-
18 August 2011	Exercise of options	13,500	$2.34	32
25 November 2011	Exercise of options	22,100	$2.34	52
	Movement	516,819		2,575
30 June 2012	**Balance**	337,101,307		186,525
18 March 2013	Exercise of options	**731,712**	**$4.10**	**3,000**
30 June 2013	**Balance (including treasury shares)**	**337,833,019**		**189,525**
Less:	Treasury shares (c)	**(138,232)**	**$7.14**	**(987)**
30 June 2013	**Balance (excluding treasury shares)**	**337,694,787**		**188,538**

(c) Treasury shares

On 3 September 2012 the Group made an on-market purchase of 138,232 shares to be held in trust for the participants of certain equity-based compensation schemes. These share plans vested on 1 July 2013, and as such these shares are no longer restricted by the trust and have been returned to ordinary share capital. For further information see note 26.

The Group had not previously held any treasury shares.

(d) Ordinary shares

Ordinary shares have no par value and entitle the holder to participate in dividends and the proceeds on winding up of the company in proportion to the number of and amounts paid on the shares held.

On a show of hands every holder of ordinary shares present at a meeting in person or by proxy, is entitled to one vote, and upon a poll each share is entitled to one vote.

(e) Exercise of staff options

During the current year, 731,712 (2012: 516,819) shares were issued to fulfil employee options exercised in the year. In addition 417,224 (2012: 107,360) shares were acquired on market in relation to other exercised employee options.

20. Other equity

(a) Reserves

	2013 $'000	2012 $'000
Share-based payments reserve	**22,062**	12,162
Foreign currency translation reserve	**85,036**	(23,121)
Hedging reserve - cash flow hedge	**720**	(1,314)
Hedging reserve - net investment hedge	**(21,625)**	672
Redemption reserve	**-**	(52,283)
Transactions with non-controlling interests	**(11,212)**	-
	74,981	(63,884)

Movements:

	Notes	2013 $'000	2012 $'000
Share-based payments reserve			
Balance 1 July		**12,162**	8,594
Income tax recognised in other comprehensive income		**3,422**	(165)
Employee share options scheme of parent		**5,524**	4,263
Employee share options scheme of subsidiaries		**2,806**	-
Purchase of shares-on-market for employee share option scheme		**(653)**	(197)
Tax associated with employee share schemes	8(c)	**(1,251)**	(333)
Transfer of reserves		**52**	-
		22,062	12,162
Foreign currency translation reserve			
Balance 1 July		**(23,121)**	(33,513)
Exchange differences on translation of foreign controlled operations		**100,499**	(7,696)
Exchange differences on translation of foreign controlled associates	11(c)	**5,668**	(15,214)
Reserve balances recycled on step acquisition	29	**420**	33,137
Exercise of JobsDB Put Option		**1,570**	-
Reserve balances recycled on closure of foreign operation		**-**	165
		85,036	(23,121)
Hedging reserve - cash flow hedge			
Balance 1 July		**(1,314)**	5,994
Gains/(losses) on hedge contracts of controlled entities		**70**	(136)
Gains on hedge contracts of associates (net of tax)	11(c)	**1,158**	223
Reserve balances recycled on step acquisition	29(a)	**1,143**	(10,561)
Income tax recognised in other comprehensive income	8(a)	**(337)**	3,166
		720	(1,314)
Hedging reserve - net investment hedge			
Balance 1 July		**672**	-
Gains/(losses) on hedge contracts of controlled entities		**(22,297)**	672
		(21,625)	672
Redemption reserve			
Balance 1 July		**(52,283)**	(52,283)
Exercise of JobsDB Put Option		**50,630**	-
Transfer of reserves		**1,653**	-
		-	(52,283)

SEEK Limited
Notes to the Financial Statements
For the year ended 30 June 2013

20. Other equity continued

	Notes	2013 $'000	2012 $'000
Transactions with non-controlling interests			
Balance 1 July		**-**	-
Exercise of share options in subsidiary		**118**	-
Exercise of JobsDB Put Option		**(6,048)**	-
Partial disposal of THINK to non-controlling interest		**(3,629)**	-
Transfer of reserves		**(1,653)**	-
		(11,212)	-

(b) Retained profits

	Notes	2013 $'000	2012 $'000
Balance 1 July		**276,867**	198,474
Net profit for the period		**300,079**	131,680
Dividends paid to members of the parent	21	**(64,122)**	(53,257)
Purchase of shares-on-market for employee share option scheme		**(587)**	(363)
Tax associated with employee share schemes	8(c)	**1,251**	333
		513,488	276,867

(c) Non-controlling interests

	Notes	2013 $'000	2012 $'000
Balance 1 July		**371,625**	123,543
Profit for the year		**13,597**	5,778
Exchange differences on translation of foreign controlled operations		**41,861**	(6,538)
Dividends and distributions provided for or paid		**(908)**	(4,628)
Exercise of share options in subsidiary		**88**	-
Exercise of JobsDB Put Option		**(31,017)**	-
Partial disposal of THINK to non-controlling interest		**17,461**	-
Transfer of reserves		**(52)**	-
Conversion of preference shares to ordinary shares	29(a)	**74,312**	-
Non-controlling interests at fair value arising on acquisition	29(a)	**32,600**	253,470
		519,567	371,625

20. Other equity continued

(d) Nature and purpose of reserves

Share-based payments reserve

The reserve is comprised of two components:

- Unexercised: is used to recognise the fair value of options and deferred shares issued but not exercised.
- Exercised: is used to hold the fair value of options that have been exercised and options that have lapsed but are not required to be adjusted through the consolidated income statement.

Foreign currency translation reserve

Exchange differences arising on the translation of foreign controlled entities and associates are recognised in the foreign currency translation reserve, as described in note 1(d).

Hedging reserve - cash flow hedges

The hedging reserve - cash flow hedges is used to record gains or losses on a hedging instrument in a cash flow hedge that are recognised directly in equity, as described in note 1(l). Amounts are recognised in the consolidated income statement when the associated hedged transaction affects the profit or loss or when it is impaired or sold or if the forecast transaction is no longer expected to take place.

Hedging reserve - net investment hedge

The hedging reserve - net investment hedge is used to record gains or losses on a hedging instrument in a net investment hedge that are recognised directly in equity, as described in note 1(l). Amounts are recognised in the consolidated income statement when the associated hedged transaction affects the profit or loss or when it is impaired or sold. Gains and losses accumulated in equity are reclassified to profit or loss when the foreign operation is partially disposed of or sold.

Redemption reserve

The redemption reserve is used to recognise further contractual purchases of non-controlling interests where the risks and rewards of ownership have not yet passed to the Group, which arose due to the put option in place whereby SEEK Asia was potentially required to purchase the remaining 20% stake in JobsDB. On 20 December 2012 the vendor exercised this right. The ownership risks and rewards of the remaining 20% interest are considered to have transferred to SEEK Asia when the option was exercised, extinguishing the reserve. For further information on the transaction refer to note 17.

Transactions with non-controlling interests

This reserve is used to record differences arising as a result of transactions with a non-controlling interest that do not result in a loss of control.

21. Dividends

Dividend	Payment date	Amount per share	Franked amount per share	Total dividend $'000
Year 2012				
2011 final dividend	12 October 2011	7.5 cents	7.5 cents	$25,277
2012 interim dividend	18 April 2012	8.3 cents	8.3 cents	$27,980
				$53,257
Year 2013				
2012 final dividend	**16 October 2012**	**9.0 cents**	**9.0 cents**	**$30,339**
2013 interim dividend	**17 April 2013**	**10.0 cents**	**10.0 cents**	**$33,783**
				$64,122

Dividends paid or declared by the Company after the year end (to be paid out of retained profits at 30 June 2013):

2013 final dividend	**16 October 2013**	**12.0 cents**	**12.0 cents**	**$40,540**

The franked portion of final dividends for the financial year paid after 30 June 2013 will be franked out of franking credits arising from the balance of the franking account as at the year end and the payment of income tax subsequent to the year ending 30 June 2013. The dividend payment on 16 October 2013 will reduce the franking credits available by $17,374,000 for the consolidated Group. At 30 June 2013 all Australian controlled entities are included in the consolidated income tax group and therefore their franking credits are fully available for distribution to shareholders of the Group.

	2013 $'000	2012 $'000
Franking credits available for subsequent financial years based on a tax rate of 30%	**104,633**	**97,735**

The above amount represents the balance of the franking account as at the end of the financial year, adjusted for franking credits that will arise from the payment of the current tax liability.

22. Key management personnel disclosures

(a) Directors

The following persons were directors of SEEK Limited during the financial year:

N G Chatfield	Chairman (effective 30 November 2012), non-executive director
R C G Watson	Chairman, non-executive director (resigned 30 November 2012)
A R Bassat	Managing Director and Chief Executive Officer
C B Carter	Non-executive director
D I Bradley	Non-executive director
G B Goldsmith	Non-executive director (appointed 29 October 2012)

(b) Other key management personnel

The following persons also had authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly, during the financial year:

Name	Position	Employer
J A Armstrong	Chief Financial Officer	SEEK Limited
J S Powell	Managing Director (SEEK Employment (Australia and NZ))	SEEK Limited
J S Lenga	Managing Director (SEEK International)	SEEK Limited
P D Everingham	Managing Director (SEEK Education)	SEEK Learning Pty Ltd
M F Callaghan	Group Human Resources Director	SEEK Limited
H J Souness(1)	Marketing Director	SEEK Limited
M J Ilczynski	Strategy Director, Education and Training	SEEK Limited
D J Gibbons(2)	Chief Information Officer	SEEK Limited

1. H J Souness resigned effective 1 November 2012.
2. D J Gibbons resigned effective 8 August 2013.

(c) Key management personnel compensation

	2013 $	2012 $
Short-term employee benefits	**7,372,535**	6,482,366
Post-employment benefits	**273,379**	273,955
Share-based employee benefits	**5,088,401**	2,387,543
Fixed remuneration options(1)	**107,514**	(41,329)
Other long-term benefits	**349,938**	188,320
Cash LTI	**(244,832)**	-
	12,946,935	9,290,855

1. In FY2012, Andrew Bassat had a fixed remuneration arrangement whereby he was issued 1,156,069 options over two years. The credit in the prior year was due to the revaluation of the options after approval at the AGM in November 2011.

Detailed remuneration disclosures are provided in pages 17 to 35 of the Remuneration Report.

22. Key management personnel disclosures continued

(d) Equity instrument disclosures relating to key management personnel

(i) Options provided as remuneration and shares issued on exercise of such options

Details of options provided as remuneration and shares issued on the exercise of such options, together with terms and conditions of the options can be found in the Remuneration Report.

(ii) Option and Performance Rights holdings

The numbers of options and performance rights over ordinary shares in the Company held during the financial year by each director of SEEK Limited and other key management personnel of the Group and the company, including their personally related parties, are set out below:

2013	**Balance at the start of the year**	**Granted during the year as compensation**	**Exercised during the year**	**Forfeited during the year**	**Balance at the end of the year**	**Vested and exercisable at the end of the year**	**Unvested options at the end of the year**
Executive directors							
A R Bassat	**3,652,357**	**1,085,527**	**(559,212)**	**-**	**4,178,672**	**1,627,080**	**2,551,592**
Other key management personnel							
J A Armstrong	**327,093**	**289,475**	**(77,563)**	**-**	**539,005**	**-**	**539,005**
J S Powell	**549,724**	**384,212**	**(150,316)**	**-**	**783,620**	**-**	**783,620**
J S Lenga	**863,565**	**384,212**	**(94,937)**	**-**	**1,152,840**	**-**	**1,152,840**
P D Everingham	**232,520**	**366,185**	**-**	**-**	**598,705**	**-**	**598,705**
M F Callaghan	**266,854**	**190,790**	**(63,443)**	**-**	**394,201**	**-**	**394,201**
H J Souness	**208,215**	**95,034**	**(60,418)**	**(242,831)**	**-**	**-**	**-**
M J Ilczynski	**212,375**	**361,554**	**-**	**-**	**573,929**	**-**	**573,929**
D Gibbons	**113,821**	**190,790**	**-**	**-**	**304,611**	**-**	**304,611**

2012	Balance at the start of the year	Granted during the year as compensation	Exercised during the year	Forfeited during the year	Balance at the end of the year	Vested and exercisable at the end of the year	Unvested options at the end of the year
Executive directors							
A R Bassat	2,688,292	964,065	-	-	3,652,357	1,608,258	2,044,099
Other key management personnel							
J A Armstrong	174,259	176,000	(11,583)	(11,583)	327,093	77,563	249,530
J S Powell	323,610	269,970	(21,928)	(21,928)	549,724	150,316	399,408
J S Lenga	237,042	654,878	(14,178)	(14,177)	863,565	94,937	768,628
P D Everingham	24,386	232,520	(12,193)	(12,193)	232,520	-	232,520
M F Callaghan	142,392	143,411	(8,422)	(10,527)	266,854	63,443	203,411
H J Souness	131,463	94,797	(9,023)	(9,022)	208,215	60,418	147,797
M J Ilczynski	-	212,375	-	-	212,375	-	212,375
D Gibbons	-	113,821	-	-	113,821	-	113,821

22. Key management personnel disclosures continued

(iii) Share holdings

The numbers of ordinary shares in the company held during the financial year by each director of SEEK Limited and other key management personnel of the Group, including their personally related parties, are set out below. There were no shares granted during the reporting period as compensation.

2013	Balance at the start of the year	Received during the year on exercise of options	Purchase of shares	Sale of shares	Other changes during the year[1]	Balance at the end of the year
Non-executive directors						
R C G Watson	**4,238,648**	**-**	**-**	**(738,648)**	**(3,500,000)**	**-**
C B Carter	**94,458**	**-**	**-**	**-**	**-**	**94,458**
N G Chatfield[2]	**33,057**	**-**	**10,100**	**-**	**-**	**43,157**
D I Bradley	**4,000**	**-**	**1,000**	**-**	**-**	**5,000**
G B Goldsmith	**-**	**-**	**35,000**	**-**	**-**	**35,000**
Executive directors						
A R Bassat	**13,500,113**	**559,212**	**-**	**(750,000)**	**-**	**13,309,325**
Other key management personnel						
J A Armstrong	**54,375**	**77,563**	**-**	**(42,792)**	**-**	**89,146**
J S Powell	**21,928**	**150,316**	**-**	**(172,244)**	**-**	**-**
J S Lenga	**214,107**	**94,937**	**-**	**(135,000)**	**-**	**174,044**
P D Everingham	**99,641**	**-**	**-**	**(99,641)**	**-**	**-**
M F Callaghan	**53,591**	**63,443**	**-**	**-**	**-**	**117,034**
H J Souness	**14,756**	**60,418**	**-**	**-**	**(75,174)**	**-**
M J Ilczynski	**14,777**	**-**	**-**	**-**	**-**	**14,777**
D J Gibbons	**-**	**-**	**-**	**-**	**-**	**-**

1. Represents balance held at time of appointment or resignation
2. Neil Chatfield's shareholding includes 501 shares held by a related party

2012	Balance at the start of the year	Received during the year on exercise of options	Purchase of shares	Sale of shares	Other changes during the year	Balance at the end of the year
Non-executive directors						
R C G Watson	4,238,648	-	-	-	-	4,238,648
C B Carter	94,458	-	-	-	-	94,458
N G Chatfield	32,656	-	401	-	-	33,057
D I Bradley	1,000	-	3,000	-	-	4,000
Executive directors						
A R Bassat	13,500,113	-	-	-	-	13,500,113
Other key management personnel						
J A Armstrong	92,276	11,583	-	(49,484)	-	54,375
J S Powell	6,336	21,928	-	(6,336)	-	21,928
J S Lenga	249,926	14,178	-	(49,997)	-	214,107
P D Everingham	147,448	12,193	-	(60,000)	-	99,641
M F Callaghan	33,494	8,422	11,675	-	-	53,591
H J Souness	11,233	9,023	-	(5,500)	-	14,756
M J Ilczynski	14,777	-	-	-	-	14,777
D J Gibbons	-	-	-	-	-	-

22. Key management personnel disclosures continued

(e) Loans to key management personnel

There have been no loans to directors or executives during the financial year (2012: nil).

(f) Other transactions with key management personnel

During the year there were no other transactions with key management personnel, apart from related party transactions disclosed in note 27(d).

23. Remuneration of auditors

During the year the following fees were paid for services provided by the auditor of the parent entity, its related practices and non-related audit firms:

	2013 $	2012 $
(a) PricewaterhouseCoopers Australia		
Audit and other assurance services		
Audit and review of financial reports	**1,030,669**	1,003,000
Other assurance services:		
Due diligence services	**403,200**	674,404
Total remuneration for audit and other assurance services	**1,433,869**	1,677,404
Taxation services		
Tax consulting - international	**194,853**	53,900
Tax consulting - domestic	**273,179**	586,962
Tax compliance	**57,680**	43,138
Total remuneration for taxation services	**525,712**	683,999
Total remuneration of PricewaterhouseCoopers Australia	**1,959,581**	2,361,403
(b) Network firms of PricewaterhouseCoopers Australia		
Audit and other assurance services		
Audit and review of financial reports	**744,000**	291,362
Other assurance services:		
Other audit services	**629,851**	-
Total remuneration for audit and other assurance services	**1,373,851**	291,362
Taxation services		
Tax compliance services, including review of company income tax returns	**93,259**	20,106
Total remuneration for taxation services	**93,259**	20,106
Total remuneration of Related Practices of PricewaterhouseCoopers Australia	**1,467,110**	311,468
(c) Non PricewaterhouseCoopers Australia		
Audit and other assurance services		
Audit and review of financial reports	**83,839**	110,059
Other assurance services:		
Other	**-**	146,131
Total remuneration for audit and other assurance services	**83,839**	256,190
Taxation services		
Tax compliance services, including review of company income tax returns	**39,364**	175,126
Total remuneration for taxation services	**39,364**	175,126
Other services		
Executive share options valuation	**55,982**	54,075
Purchase price adjustment valuation services	**189,950**	-
Other	**66,937**	-
Total remuneration for other services	**312,869**	54,075
Total remuneration of Non PricewaterhouseCoopers Australia	**436,072**	485,391

It is the Group's policy to employ PricewaterhouseCoopers on assignments additional to their statutory audit duties where PricewaterhouseCoopers' expertise and experience with the Group are important. These assignments are principally tax advice and due diligence reporting on acquisitions, and where PricewaterhouseCoopers is awarded assignments on a competitive basis. It is the Group's policy to seek competitive tenders for all major consulting projects.

24. Contingent liabilities

At 30 June 2013, the Group has unrecognised contingent liabilities relating to Brasil Online of $9,960,000 (2012 Restated: $9,055,000). Refer to note 18(e) for further details. There are no other contingent liabilities.

25. Commitments for expenditure

On 31 August 2012 Laureate Education, Inc. acquired a 20% interest in THINK, based on an implied 100% Enterprise Valuation of $75,000,000. As part of this transaction SEEK and Laureate have entered into shareholder arrangements which include Laureate having voting rights and representation on the THINK Board in proportion to its equity stake. The Shareholder Agreements provide Laureate with minority shareholder protections in regards to corporate governance and agreed processes for potential future equity transactions.

Net cash inflow in relation to this transaction was $13,832,000.

Capital commitments

At 30 June 2013, the Group had no capital commitments (2012: nil).

Other commitments

Commitments for the payment of IT services, advertising and promotions under long-term contracts in existence at the reporting date but not recognised as liabilities payable are as follows:

	2013 $'000	2012 $'000
Within one year	**8,036**	8,255
Later than one year but not later than five years	**1,996**	3,795
Total	**10,032**	12,050

Lease commitments

Operating leases

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

	2013 $'000	2012 $'000
Within one year	**18,719**	13,865
Later than one year but not later than five years	**30,169**	32,765
More than five years	**3,101**	6,254
Total	**51,989**	52,884

The Group leases various offices under non-cancellable operating leases expiring within one to six years. The leases have varying terms, escalation clauses and renewal rights. On renewal, the terms of the lease are negotiated.

25. Commitments for expenditure continued

Finance leases

During the year the Group entered into a lease for computer equipment. At 30 June 2013 this equipment has a carrying value of $444,000 (2012: $nil).

Commitments in relation to finance leases payable are as follows:

	2013 $'000	2012 $'000
Within one year	**190**	-
Later than one year but not later than five years	**298**	-
Minimum lease payments	**488**	-
Less: Future finance charges	**(44)**	-
Recognised as a liability	**444**	-

26. Share-based payments

Expenses arising from share-based payments transactions

Total expenses arising from share-based payments transactions recognised during the period as part of employee benefits expense were $9,696,000 (2012: $4,430,000) relating to:

- Equity settled share based payment plans:
    - Performance Rights and Options Plans $5,636,000
    - Options plans held within International subsidiaries $2,806,000
- Cash settled LTI plans $1,254,000

Performance Rights and Options Plans

For details of Performance Rights and Options Plans refer to the Remuneration Report contained in the Directors' Report. The table below summarises the movement in the number of options in these plans during the year:

			Number of options or rights					
2013 Grant date	Expiry date (years)	Exercise price	Opening balance	Granted during the year	Exercised during the year	Forfeited during the year	Closing balance	Options/rights vested and exercisable at the end of the year
Executive Director Options								
6 November 2008	5	$5.29	471,011	-	-	-	471,011	471,011
30 November 2009	5	$4.10	559,212	-	(559,212)	-	-	-
21 November 2011	4	$6.80	1,156,069	-	-	-	1,156,069	1,156,069
21 November 2011	5	$5.36	964,065	-	-	-	964,065	-
3 December 2012	5	$7.43	-	1,085,526	-	-	1,085,526	-
Total			3,150,357	1,085,526	(559,212)	-	3,676,671	1,627,080
Performance Rights and Options Plans								
30 July 2009	5	$4.10	702,385	-	(577,066)	-	125,319	125,319
1 July 2010	5	$7.39	1,321,755	83,000	-	(95,895)	1,308,860	-
1 September 2011	5	$5.36	1,998,178	-	-	(154,553)	1,843,625	-
3 December 2012	7	$0.00	-	10	-	-	10	-
21 December 2012	7	$0.00	-	25	-	(3)	22	-
7 September 2012	5	$7.43	-	2,415,099	-	(95,033)	2,320,066	-
Total			4,022,318	2,498,134	(577,066)	(345,484)	5,597,902	125,319
Total Plans			7,172,675	3,583,660	(1,136,278)	(345,484)	9,274,573	1,752,399
Weighted average exercise price			$5.74	$7.43	$4.10	$6.49	$6.57	$6.20

26. Share-based payments continued

2012 Grant date	Expiry date (years)	Exercise price	Number of options Opening balance	Granted during the year	Exercised during the year	Forfeited during the year	Closing balance	Options vested and exercisable at the end of the year
Senior Executive Options Plan								
11 November 2005	6	$2.34	35,600	-	(35,600)	-	-	-
Total			35,600	-	(35,600)	-	-	-
Executive Director Options								
1 July 2008	5	$5.29	942,022	-	(471,011)	-	471,011	471,011
30 November 2009	5	$4.10	559,212	-	-	-	559,212	559,212
21 November 2011(1)	4	$6.80	1,156,069	-	-	-	1,156,069	578,035
21 November 2011(1)	5	$5.36	-	964,065	-	-	964,065	-
Total			2,657,303	964,065	(471,011)	-	3,150,357	1,608,258
Performance Rights and Options Plans								
1 July 2008	4	$0.00	239,099	-	(117,568)	(121,531)	-	-
30 July 2009	5	$4.10	781,040	-	-	(78,655)	702,385	702,385
1 July 2010	5	$7.39	1,442,029	-	-	(120,274)	1,321,755	-
1 September 2011	5	$5.36	-	1,998,178	-	-	1,998,178	-
Total			2,462,168	1,998,178	(117,568)	(320,460)	4,022,318	702,385
Total Plans			5,155,071	2,962,243	(624,179)	(320,460)	7,172,675	2,310,643
Weighted average exercise price			$5.64	$5.36	$4.13	$3.78	$5.74	

1. Approved and granted at AGM on 21 November 2011

The weighted average share price at the date of exercise of options exercised during the year ended 30 June 2013 was $8.98 (2012: $6.19).

The weighted average remaining contractual life of share options outstanding at the end of the year was 2.90 years (2012: 1.50 years).

Deferred Share Plan

The Deferred Share Plan was a new scheme in FY2012 whereby plan participants were eligible to receive shares up to the value of 20% base salary depending on individual performance. This plan has been redesigned and participants are now issued one performance right, valued at a maximum of 20% base salary. Expense for the FY12 performance rights (formerly known as deferred shares) is included within the expense for the Performance Rights and Options Plans. Details of the grant of performance rights can be found in the Performance Rights and Options table above, and in the Remuneration Report.

26. Share-based payments continued

Expenses arising from share-based payments transactions - international subsidiaries

Total expenses arising from share-based payments transactions recognised in the Group consolidated financial statements during the year relating to international subsidiaries were $2,806,000 (2012: $70,000).

Online Career Mexico SA de CV (OCC) and Zhaopin Ltd (Zhaopin)

As at the date of step acquisition on 19 June 2012 and 19 February 2013, OCC and Zhaopin had outstanding share-based payment plans that the Group did not exchange for its share-based payment transactions. As required by AASB3 *Business Combinations* , the market-based measure of unvested share-based payment transactions was allocated to the non-controlling interest on the basis of the ratio of the portion of the vesting period completed to the original vesting period of the share-based payment transaction with the balance allocated to post-combination service as share-based payment expenses.

During the year, OCC also issued a new stock option plan of 8,009 options, vesting monthly over four years effectively from 18 June 2012 with a term of 10 years from that date.

The table below summarises the movement in the number of options in these plans during the year:

		Number of options or rights					
2013	Expiry date (years)	Opening balance	Granted during the year	Exercised during the year	Forfeited during the year	Closing balance	Options vested and exercisable at the end of the year
OCC	7.5	62,344	8,009	(5,250)	-	65,103	41,920
Zhaopin	3.12	24,150,555	-	(500,000)	(174,961)	23,475,594	17,852,306
Total		24,212,899	8,009	(505,250)	(174,961)	23,540,697	17,894,226

Fair value of Options and Performance Rights

The fair value of Options and Performance Rights at grant date is independently determined in accordance with AASB2: *Share-based payments* , using a Black-Scholes or similar option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date and expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the option. The expected price volatility is based on the historic volatility (based on the remaining life of the options), adjusted for any expected changes to future volatility due to publicly available information.

Refer to page 25 of the Remuneration Report contained within the Directors' Report, for details on the fair value of options issued during the financial year.

27. Related party transactions

(a) Interests in controlled entities

Interests in controlled entities are set out in note 30.

(b) Transactions with associates

The following transactions occurred with associates:

	2013 $	2012 $
Dividends and distributions received from associates	**13,591,134**	12,855,134
Directors' fees and other personnel costs charged to associates	**195,000**	195,000
Sales to jointly controlled entity	**7,563,672**	1,500,255

(c) Transactions with key management personnel

Disclosures relating to key management personnel are set out in note 22.

(d) Transactions with other related parties

Other related parties comprise transactions with entities associated with key management personnel. The nature of the relationship with related parties includes the supply of advertising services and use of facilities between the related parties.

Aggregate amounts that resulted from transactions with other related parties:

	2013 $	2012 $
Purchases from other related parties	**329,000**	208,000

At 30 June 2013 A R Bassat individually holds an investment in CareerFAQ with a value of $349,558.

During the year, SEEK Learning paid an amount of $329,000 (2012: $208,000) to Career FAQ in a lead generation deal on an arm's length basis.

Some of the Group's independent non-executive directors are also non-executive directors for other companies. SEEK Limited, from time to time, may provide or receive services from these companies on an arms-length basis.

28. Deed of cross guarantee

The following controlled entities have entered into a Deed of Cross Guarantee:

Company	Financial year entered into agreement
SEEK Limited	30 June 2006
SEEK Learning Pty Ltd	30 June 2006
Dynamic Web Training Pty Ltd	30 June 2006
SEEK Campus Pty Ltd	30 June 2006
SEEK Commercial Pty Ltd	30 June 2007
SEEK Investments Pty Ltd	30 June 2007
SEEK International Investments Pty Ltd	30 June 2007
Entities exited the Group during 2013	
Think: Education Group Pty Limited	30 June 2010
Think: Colleges Pty Limited	30 June 2010
Think: Education Services Pty Limited	30 June 2010
APM Training Institute Pty Limited	30 June 2010
Australasian College of Natural Therapies (Holdings) Pty Limited	30 June 2010
Jansen Newman Institute Pty Limited	30 June 2010
Graduate Institute of Management and Technology Pty Limited	30 June 2010
Billy Blue English School Pty Limited	30 June 2010
Billy Blue Catering Pty Limited	30 June 2010
Commercial Arts Training College Pty Limited	30 June 2010
GMM Projects Pty Limited	30 June 2010

The companies that are party to this deed guarantee the debts of the others and represent the 'Closed Group' from the date of entering into the agreement.

These wholly-owned entities have been relieved from the requirement to prepare a financial report and directors' report under Class Order 98/1418 (as amended) issued by the Australian Securities and Investments Commission.

Entities removed from the Deed of Cross Guarantee group during 2013

On 31 August 2012 Laureate Education, Inc. acquired a 20% interest in Think: Education Group Pty Limited. As such, Think: Education Group Pty Limited and its wholly owned Australian entities have exited the SEEK Limited 'Closed Group'.

28. Deed of cross guarantee continued

(a) Income statement, other comprehensive income and a summary of movements in consolidated retained profits

Since there are no other parties to the Deed of Cross Guarantee that are controlled by SEEK Limited the companies detailed on page 128 also represent the 'Extended Closed Group'.

Statement of Comprehensive Income	2013 $'000	2012 $'000
Income Statement		
Revenue from continuing operations	**279,511**	372,944
Other income	**-**	9,256
Operating expenses		
Direct cost of services	**(3,622)**	(34,075)
Sales and marketing	**(61,778)**	(96,408)
Business development	**(28,117)**	(22,156)
Operations and administration	**(72,833)**	(89,782)
Finance costs	**(21,998)**	(22,844)
Total operating expenses	**(188,348)**	(265,265)
Share of profits of associates and jointly controlled entity accounted for using the equity method	**27,081**	25,409
Profit before income tax expense	**118,244**	142,344
Income tax expense	**(36,981)**	(39,426)
Profit for the year	**81,263**	102,918
Other comprehensive income		
Exchange differences on translation of foreign associates	**5,668**	4,030
(Losses)/gains on hedge contracts of controlled entities	**(70)**	537
Gains on hedge contracts of associates (net of tax)	**1,158**	223
Income tax relating to other comprehensive income	**337**	3,001
Other comprehensive income for the year	**7,093**	7,791
Total comprehensive income for the year	**88,356**	110,709
Summary of movements in consolidated retained profits		
Balance 1 July	**242,647**	193,016
Profit for the year	**81,263**	102,918
Tax credited directly to retained profits - share-based payments	**1,251**	333
Purchase of shares on-market on exercise of employee share options	**(587)**	(363)
Dividends paid	**(64,122)**	(53,257)
Impact of THINK exiting group	**13,706**	-
Balance 30 June	**274,158**	242,647

28. Deed of cross guarantee continued

(b) Consolidated balance sheet

Set out below is a consolidated balance sheet as at 30 June 2013 of the Closed Group.

Consolidated balance sheet	**2013 $'000**	2012 $'000
Current assets		
Cash and cash equivalents	**11,609**	30,427
Trade and other receivables	**36,832**	47,463
Other financial assets	**2,274**	630
Total current assets	**50,715**	78,520
Non-current assets		
Investments in controlled entities	**706,840**	436,431
Investments accounted for using the equity method	**152,379**	196,063
Plant and equipment	**5,965**	17,979
Intangible assets	**19,784**	101,951
Deferred tax assets	**14,366**	14,080
Loans with controlled entities	**-**	523
Total non-current assets	**899,334**	767,027
Total assets	**950,049**	845,547
Current liabilities		
Trade and other payables	**19,511**	30,450
Unearned income	**14,001**	29,584
Other financial liabilities	**42,237**	-
Current tax liabilities	**15,960**	14,721
Current provisions	**6,588**	2,486
Loans with controlled entities	**1,295**	-
Total current liabilities	**99,592**	77,241
Non-current liabilities		
Non-current borrowings	**387,513**	318,433
Deferred tax liabilities	**-**	5,471
Non-current provisions	**2,539**	6,979
Total non-current liabilities	**390,052**	330,883
Total liabilities	**489,644**	408,124
Net assets	**460,405**	437,423
Equity		
Contributed equity	**188,538**	186,525
Reserves	**(2,291)**	8,251
Retained profits	**274,158**	242,647
Total equity	**460,405**	437,423

29. Business combinations

(a) Zhaopin acquisition

During the year, the Group through its wholly owned subsidiary SEEK International Investments Pty Ltd. acquired a controlling interest in Zhaopin Ltd ("Zhaopin"). Zhaopin operates a leading online employment marketplace in China and this transaction was a continuation of SEEK's strategy to increase its exposure to leading international businesses.

- On 19 February 2013, a transaction was completed with the Group acquiring an additional 18.7% interest in Zhaopin, taking its ownership to 74.2% for total consideration of US$118,804,000 (A$114,783,000);
- On 28 February 2013, the Group acquired a further 4.2% interest in Zhaopin at a cost of US$14,554,000 (A$14,246,000), taking its interest in Zhaopin from 74.2% to 78.4%[1].

This transaction was funded as follows:

- Zhaopin has established entrusted loan facilities of US$68,000,000 ('the facilities'). The facilities are supported by cash balances within the Zhaopin Group and are non-recourse to the SEEK Limited wholly-owned group. The Group has also entered into foreign derivative transactions to hedge against currency fluctuations on repayment of these facilities.
- The balance of US$65,858,000 (A$63,818,000) was funded via SEEK's existing cash and debt facilities, including a drawdown on the USD tranche of the syndicated facility.

Related to the above transaction is a separate arrangement whereby SEEK may acquire further additional ownership interests in Zhaopin during the next financial year. If completed, this arrangement would result in SEEK increasing its fully-diluted ownership in Zhaopin by 6.8%. The fair value of the additional cost of this arrangement (refer to note 17) is included within the preliminary fair value set out on the following page.

From the date of step acquisition the Group has accounted for Zhaopin as a controlled entity and recognised the relevant non-controlling interest in the Group financial statements. Prior to this, the Group accounted for its interest in Zhaopin as an associate under the equity accounting method (refer to note 11).

Purchase consideration

The cash consideration and total purchase consideration are detailed in the table below.

	Notes	AUD $'000
Purchase consideration – cash outflow		63,818
Fair value of pre-existing interest		250,397
Purchase consideration prior to non-controlling interest		**314,215**
Non-controlling interests at fair value arising on acquisition	20(c)	32,600
Other financial liability		32,511
Total purchase consideration		**379,326**

1. Percentage of ownership has changed slightly from 78.2% to 78.4% compared to half-year announcement made on 20 February 2013 due to an additional acquisition from a minority shareholder.

29. Business combinations continued

Details of net assets and liabilities acquired

	Notes	Preliminary fair value (AUD) $'000
Cash and cash equivalents		46,547
Current and non-current financial assets		73,910
Trade and other receivables		11,698
Plant and equipment	13	5,260
Intangible assets		
Brands and licences	14	110,234
Customer relationships	14	11,163
Computer software and website development	14	8,600
Application database	14	726
Deferred tax assets	8(d)	2,589
Trade and other payables		(18,173)
Unearned income		(50,800)
Current tax liabilities		(4,808)
Borrowings		(65,930)
Preference share debts[1]	20(c)	(74,312)
Current provisions	18(a)	(18,735)
Deferred tax liabilities	8(e)	(32,681)
Net identifiable assets acquired		**5,288**
Add: goodwill	14	374,038
Net assets acquired		**379,326**

1. Preference share debts represent fair value of minority interest (21.6%) in the form of convertible redeemable debts as at the date of acquisition. These debts have subsequently been converted to ordinary shares and were classified as non-controlling interests as at 30 June 2013.

The goodwill is attributable to Zhaopin's strong position in its market and the high growth potential of that market. Goodwill is not expected to be deductible for tax purposes.

Initial accounting
Both the net asset value and allocation of the purchase price to acquired assets are still preliminary. In particular, the contingent liabilities and fair values assigned to intangible assets are still being assessed and may be subject to change. The acquisition accounting will be finalised within 12 months of the acquisition date.

Acquired receivables
The fair value of trade and other receivables is $11,698,000 and includes trade receivables with a fair value of $2,279,000. The gross contractual amount of trade receivables due is $2,591,000, of which $312,000 is expected to be uncollectible.

Acquired contingent liabilities
Within current provisions acquired of $18,735,000 as required by AASB3: *Business Combinations* , the Group has recognised an amount of $14,894,000 being the fair value of acquired contingent liabilities. Refer to note 18(b) for further details.

29. Business combinations continued

Business combinations acquired in stages

In accordance with the accounting policy set out in note 1(g) for a business combination achieved in stages the Group has re-measured its previously held equity interest in Zhaopin at its acquisition-date fair value immediately prior to the business combination. The Group has also recycled amounts held in reserves in relation to this associate including foreign currency translation losses and cash flow hedge losses. The resulting net gain before tax of $160,910,000 (after tax $161,247,000) has been recognised in 'other income' in the consolidated income statement (refer to note 6).

	Gain on step acquisition (AUD)	
	Notes	$'000
Fair value of pre-existing interest		250,397
Less: carrying value of Zhaopin as an associate	11(c)	(87,924)
Less: foreign currency translation reserve loss recycled	20(a)	(420)
Less: cash flow hedge reserve gain (before tax) recycled	20(a)	(1,143)
Fair value gains on step acquisitions (before tax)	6	**160,910**
Add: tax on reserve balances recycled	8(a)	337
Fair value gains on step acquisitions (after tax)		**161,247**

Non-controlling interests

In accordance with the accounting policy set out in note 1(g), the Group elected to recognise the non-controlling interests in Zhaopin at fair value rather than at the proportionate share of the net identifiable assets. The fair value of the non-controlling interest in Zhaopin has been determined with reference to the purchase price of the acquired interest, as this represented a transaction between a willing buyer and independent willing sellers.

The current ownership structure of Zhaopin is as follows:

Investor	Ownership in Zhaopin
SEEK Limited	**78.4%**
Non-controlling interests	
Cavalane Holdings Pty Limited	21.2%
Other minority shareholders	0.4%
Total non-controlling interests	**21.6%**

Revenue and profit contribution

Zhaopin contributed revenues of $49,892,000 and net profit of $4,807,000 before non-controlling interests for the SEEK Group for the period from 19 February 2013 to 30 June 2013. If the acquisition occurred on 1 July 2012, the contribution to consolidated revenue and consolidated profit before non-controlling interests for the SEEK Group for the current year would have been $138,175,000 and $19,975,000 respectively, offset by a reduction in the share of net profit from associates of $11,257,000.

These amounts have been calculated using the Group's accounting policies and by adjusting the results of Zhaopin to reflect the additional amortisation that would have been charged assuming the fair value adjustments to intangible assets had applied from 1 July 2012, together with any tax effects.

Year end

The Zhaopin Group has a 31 December year end. Due to local statutory requirements, the year end will not be aligned to the SEEK Group. For group reporting purposes, the financial year end has been aligned to that of the SEEK Group.

Acquisition related costs

Acquisition related costs of $978,000 have been recognised in the consolidated income statement in 'operations and administration' expenses.

29. Business combinations continued

(b) Finalisation of Brasil Online and OCC step acquisitions

During the previous financial year SEEK Limited, through its wholly owned subsidiary SEEK International Investments II Coöperatie U.A., acquired controlling interests in the following entities:

- On 31 May 2012, SEEK acquired an additional 21.0% interest in Brasil Online Holdings Coöperatief U.A. ("Brasil Online") for $80,563,000 (US$78,750,000) bringing its ownership to 51.0%;
- On 19 June 2012, SEEK acquired an additional 15.6% interest in Online Career Center Mexico S.A. De C.V. ("OCC") for $22,250,000 (US$22,500,000) bringing its ownership to 56.7%.

These businesses are market leaders and significantly enhance SEEK's exposure to the two largest economies in the highly attractive Latin American online employment sector.

Further details of the acquisitions and preliminary purchase consideration are disclosed in the annual report for the year ended 30 June 2012.

Details of assets and liabilities acquired

Given that the acquisitions occurred close to the previous financial year end, the final net asset valuation and allocation of the purchase price to acquired assets and fair values assigned to intangible assets were preliminary.

In accordance with the Group's accounting policy, the accounting for the acquisitions of Brasil Online and OCC was finalised during the current year and the preliminary step acquisition balances have been updated accordingly. There have been reallocations of the purchase price as outlined in the table on page 135. These reallocations were predominantly between non-current provisions, deferred tax assets and acquired current tax assets (included within 'trade and other receivables'). The Group's exposure to unrecognised contingent liabilities has also been restated following the finalisation of Brasil Online's acquisition accounting and is disclosed in note 18.

Total revised goodwill is $459,838,000 (preliminary goodwill: $457,714,000).

29. Business combinations continued

The final fair value of the assets and liabilities arising from the Brasil Online and OCC acquisitions are as follows:

		Final fair value			Preliminary fair value		
	Notes	Brasil Online $'000	OCC $'000	Total $'000	Brasil Online $'000	OCC $'000	Total $'000
Cash and cash equivalents		**18,293**	**8,175**	**26,468**	18,293	8,175	26,468
Trade and other receivables		**22,832**	**1,293**	**24,125**	16,666	1,293	17,959
Plant and equipment		**4,036**	**1,717**	**5,753**	4,036	1,717	5,753
Intangible assets							
Brands and licences	14	**70,901**	**18,851**	**89,752**	70,901	18,363	89,264
Customer relationships	14	**1,661**	**8,289**	**9,950**	1,763	8,100	9,863
Computer software and website development	14	**2,980**	**89**	**3,069**	2,980	89	3,069
Deferred tax assets	8(d)	**8,528**	**1,921**	**10,449**	8,739	1,921	10,660
Trade and other payables		**(9,861)**	**(1,114)**	**(10,975)**	(9,861)	(1,114)	(10,975)
Unearned income		**(12,822)**	**(5,508)**	**(18,330)**	(12,822)	(5,508)	(18,330)
Current tax liabilities		**(1,883)**	**(552)**	**(2,435)**	(1,883)	(552)	(2,435)
Non-current provisions	18	**(34,668)**	**-**	**(34,668)**	(26,197)	-	(26,197)
Deferred tax liabilities	8	**(25,366)**	**(7,655)**	**(33,021)**	(25,401)	(7,437)	(32,838)
Net identifiable assets acquired		**44,631**	**25,506**	**70,137**	47,214	25,047	72,261
Add: goodwill	14	**339,002**	**120,836**	**459,838**	336,419	121,295	457,714
Net assets acquired		**383,633**	**146,342**	**529,975**	383,633	146,342	529,975

30. Interests in controlled entities

The consolidated financial statements incorporate the assets, liabilities and results of the following consolidated entities in accordance with the accounting policy described in note 1(b):

Name of entity	Country of incorporation	Class of shares	**Equity holding 2013 %**	Equity holding 2012 %
SEEK Campus Pty Ltd	Australia	Ordinary	100	100
SEEK NZ Limited[(1)]	New Zealand	Ordinary	100	100
SEEK Learning Pty Ltd	Australia	Ordinary	100	100
Dynamic Web Training Pty Ltd	Australia	Ordinary	100	100
SEEK Commercial Pty Ltd	Australia	Ordinary	100	100
SEEK Investments Pty Ltd	Australia	Ordinary	100	100
SEEK International Investments II Cooperatie U.A.[(1)]	Netherlands	n/a	100	100
Brasil Online Holdings Cooperatief U.A.	Netherlands	n/a	51	51
CTHO Online Holdings, LLC	USA	Ordinary	100	100
CTHO Online Ltda	Brazil	Ordinary	100	100
Catho Online, Ltda.	Brazil	Ordinary	100	100
Manager Online Servicos de Internet, Ltda.	Brazil	Ordinary	100	100
Manager Online Servicos de Informatica Ltda	Brazil	Ordinary	100	100
Online Career Centre Mexico S.A.P.I de CV	Mexico	Ordinary	56.4	56.7
OCC Consultoria, SA. de CV.	Mexico	Ordinary	100	100
OCC Consultoria Ejecutiva, SA. de CV.	Mexico	Ordinary	100	100
Online Career Center Mexico Inc.	USA	Ordinary	100	100
Think: Education Group Pty Limited	Australia	Ordinary	80	100
Think: Colleges Pty Limited	Australia	Ordinary	100	100
APM Training Institute Pty Limited	Australia	Ordinary	100	100
Australasian College of Natural Therapies (Holdings) Pty Limited	Australia	Ordinary	100	100
Jansen Newman Institute Pty Limited	Australia	Ordinary	100	100
Graduate Institute of Management and Technology Pty Limited	Australia	Ordinary	100	100
Billy Blue English School Pty Limited	Australia	Ordinary	100	100
Billy Blue Catering Pty Limited	Australia	Ordinary	100	100
Think: Education Services Pty Limited	Australia	Ordinary	100	100
Commercial Arts Training College Pty Limited	Australia	Ordinary	100	100
GMM Projects Pty Limited	Australia	Ordinary	100	100
The Trustee for the CATC Trust	Australia	Ordinary	100	100
The CATC Trust	Australia	n/a	n/a	n/a
SEEK International Investments Pty Ltd	Australia	Ordinary	100	100
SeekAsia Ltd[(1)]	Cayman Islands	Ordinary	69	69
Jobs DB Inc[(1)]	British Virgin Islands	Ordinary	100	80
Jobs DB Hong Kong Limited	Hong Kong	Ordinary	100	100
Jobs DB China Info'n Technology Ltd (CDC)	P.R. China	Ordinary	100	100
Jobs DB Singapore Pte Limited	Singapore	Ordinary	100	100
Jobs DB Taiwan Limited	Taiwan	Ordinary	100	100
Jobs DB India Private Limited	India	Ordinary	100[(5)]	100[(5)]
Jobs DB Australia Pty Limited	Australia	Ordinary	n/a[(4)]	100
Jobs DB Recruitment (Thailand) Limited	Thailand	Ordinary	100	100[(5)]
Jobs DB Malaysia Sdn. Bhd.	Malaysia	Ordinary	49[(3)]	49[(3)]
PT. Jobs DB Indonesia	Indonesia	Ordinary	90	90
PT. Prestige Indonesia	Indonesia	Ordinary	49[(3)]	49[(3)]
Jobs DB Philippines Inc.	Philippines	Ordinary	100	100
Jobs DB China Investments Limited	Hong Kong	Ordinary	100	100
就业网络信息技术(深圳)有限公司	P.R. China	Ordinary	100	100
广州厚博信息科技有限公司	P.R. China	Ordinary	100	100
深圳市希捷尔人力资源有限公司	P.R. China	Ordinary	75.6	75.6
东莞市希捷尔人力资源有限公司	P.R. China	Ordinary	100	100

30. Interests in controlled entities continued

Name of entity	Country of incorporation	Class of shares	**Equity holding 2013 %**	Equity holding 2012 %
Ezyjobs (Thailand) Limited	Thailand	Ordinary	100	100[5]
Job88 (BVI) Inc.	British Virgin Islands	Ordinary	100	100
Job88.com Limited	Hong Kong	Ordinary	100	100
Jobs DB Assets (Thailand) Limited	Thailand	Ordinary	40[3]	40[3]
Jobs DB Prestige Inc.	Philippines	Ordinary	25[3]	25[3]
Sure Luck Invest Limited	British Virgin Islands	Ordinary	n/a[4]	100
Zhaopin Limited	Cayman Islands	Ordinary	78.4	56.1
Zhaopin Holdings (Cayman) Limited	Cayman Islands	Ordinary	100	n/a
Beijing Wangpin Consulting Co., Ltd.	P.R. China	Ordinary	90	n/a
Zhilian Yipin (Beijing) Technology Co., Ltd.	P.R. China	Ordinary	100	n/a
Wangpin Information Consulting (Shanghai) Company Co.,	P.R. China	Ordinary	100	n/a
Zhilian Wangpin (Beijing) Technology Co., Ltd.	P.R. China	Ordinary	100	n/a
Nanjing Zhilian Advertising Co., Ltd.	P.R. China	Ordinary	100	n/a
Suzhou Wangpin Advertising Co., Ltd.	P.R. China	Ordinary	100	n/a
Changsha Zhilian Human Resources Services Co., Ltd.	P.R. China	Ordinary	100	n/a
Guangdong Zhilian Culture & Media Co., Ltd.	P.R. China	Ordinary	100	n/a
Special Purpose Entities (SPEs)				
Beijing Zhilian Sanke Human Resource Service Center	P.R. China	n/a	0%[6]	n/a
Fuzhou Zhilian Advertising Ltd.	P.R. China	n/a	0%[6]	n/a
Harbin Zhilian Wangcai Advertising Ltd.	P.R. China	n/a	0%[6]	n/a
Xiamen Zhilian Wangpin Business Service Ltd.	P.R. China	n/a	0%[6]	n/a
Wuhan Zhilian Rencai Advertising Ltd.	P.R. China	n/a	0%[6]	n/a
Shanxi Zhilian Advertising Ltd.	P.R. China	n/a	0%[6]	n/a
Jinan Zhilian Wangpin Advertising Ltd.	P.R. China	n/a	0%[6]	n/a
Sichuan Zhilian Advertising Ltd.	P.R. China	n/a	0%[6]	n/a
Changchun Zhilian Advertising Ltd.	P.R. China	n/a	0%[6]	n/a
Changchun Zhilian Human Resource Service Ltd.	P.R. China	n/a	0%[6]	n/a
Shenyang Zhilian Wangpin Advertising Ltd.	P.R. China	n/a	0%[6]	n/a
Shenyang Zhilian Recruitment Service Co., Ltd.	P.R. China	n/a	0%[6]	n/a
Qingdao Zhilian Advertising Ltd.	P.R. China	n/a	0%[6]	n/a
Dalian Zhilian Advertising Ltd.	P.R. China	n/a	0%[6]	n/a
Tianjin Zhilian Advertising Ltd.	P.R. China	n/a	0%[6]	n/a
Hangzhou Wangpin Advertising Ltd.	P.R. China	n/a	0%[6]	n/a
SEEK Deferred Share Plan Trust[2]	Australia	n/a	n/a	n/a
SEEK Exempt Share Plan Trust[2]	Australia	n/a	n/a	n/a

1. All subsidiaries have been granted relief from the necessity to prepare financial reports in accordance with Class Order 98/1418 issued by the Australian Securities and Investments Commission apart from SEEK NZ Limited, SeekAsia Ltd, JobsDB Inc and SEEK International Investments II Coöperatie UA.
2. The Trusts are included within the consolidated group as the Group has the power to govern the financial and operating policies of these entities.
3. Since 30 June 2011 the Group has fully consolidated these entities because JobsDB Inc has the ability to control their financial and operating policies despite not holding a majority of equity as required by local regulations.
4. Deregistered during the year.
5. Equity holding represents direct and indirect interest.
6. At 30 June 2013 the Group has fully consolidated these entities because Zhaopin Ltd has the ability to control their financial and operating policies despite not holding a direct ownership. Through existing contractual agreements, the Group is able to:
   - exercise effective control over SPEs.
   - receive substantially all of the economic benefits and residual returns, and absorb substantially all the risks of expected losses as if it were the sole shareholder.

31. Events occurring after the balance sheet date

On 24 July 2013 SEEK's CEO, Andrew Bassat, announced some internal changes taking place across the business.

Group Strategy Director Michael Ilczynski will step into the newly created role of MD, Product Development and Strategy, which includes Product, Online Delivery, Technology and Strategy. Bringing these areas together continues SEEK's evolution of its product development capabilities and creates a single point of accountability for the company's product delivery.

In further changes, SEEK Learning will come together with the SEEK Employment business to be headed up by the MD, SEEK Employment & Learning (Aus & NZ), Joe Powell. This change reinforces the close strategic fit between these two businesses. IT Operations and Applications will remain in this group, headed by a newly created IT Director position.

Peter Everingham will continue as MD, Education across the other significant businesses within the Education portfolio being Think, IDP and Swinburne Online and will commence work on strategic projects across the Group.

32. Reconciliation of profit for the year to net cash inflow from operating activities

	Notes	2013 $'000	2012 $'000
Profit for the year		**313,676**	137,458
Non-cash items			
Depreciation and amortisation		**30,915**	20,450
Amortisation of share-based payments		**8,330**	4,130
Net loss on disposal of plant and equipment	7	**13**	108
Unrealised exchange (gains)/losses		**(997)**	(428)
Amortisation of debt transaction costs		**2,526**	1,369
Aggregated tax amounts arising in the reporting period recognised directly in equity		**(3,422)**	168
Share of profits of equity accounted investments	11(b)	**(27,081)**	(30,871)
Impairment loss	14	**1,320**	24,115
Items relating to step acquisitions			
Fair value (gains) on step acquisitions	29	**(160,910)**	(28,224)
Tax on reserve balances recycled	29	**337**	3,169
Other non-operating gain	6	**-**	(1,130)
Classified as financing and investing activities			
Transaction costs on acquisition of subsidiary	29	**978**	188
Change in operating assets and liabilities:			
Decrease/(increase) in trade and other receivables		**352**	(2,792)
(Increase) in other financial assets		**(10,819)**	-
(Increase) in deferred tax assets		**(3,377)**	(2,648)
Decrease/(increase) in current tax assets		**2,872**	(2,924)
Increase in trade and other payables		**10,607**	2,355
Increase in deferred income		**16,423**	4,984
(Decrease)/increase in current tax liability		**(2,031)**	11,571
(Decrease)/increase in provisions		**(5,212)**	1,260
Increase/(decrease) in deferred tax liability		**5,980**	(3,938)
Increase in other financial liabilities		**98**	2,030
Exchange (loss)/gain on translation of foreign operations		**(12,861)**	868
Net cash inflow from operating activities		**167,717**	141,268

33. Earnings per share

Information concerning the classification of securities

(a) Fully paid ordinary shares

All shares are fully paid and have been included in both the basic earnings per share (EPS) and the diluted earnings per share (EPS).

(b) Options

Options granted to employees under the SEEK Limited Option Plans are considered to be potential ordinary shares and have been included in the determination of diluted earnings per share. The options have not been included in the determination of basic EPS. Details relating to these options are set out in note 26.

	2013 cents per share	2012 cents per share
Basic EPS	**89.0**	39.1
Diluted EPS	**88.3**	38.9

Weighted average number of shares used as the denominator

	2013 number	2012 number
Weighted average number of shares used as the denominator in calculating basic EPS	**337,169,937**	337,090,873
Weighted average number of Options and Performance Rights	**2,524,973**	1,065,927
Weighted average number of shares used as the denominator in calculating diluted EPS	**339,694,910**	338,156,800

Reconciliation of earnings used in calculating EPS

	2013 $'000	2012 $'000
Basic EPS		
Earnings used in calculating basic EPS	**300,079**	131,680
Diluted EPS		
Earnings used in calculating diluted EPS	**300,079**	131,680

34. Net tangible asset backing

	2013 cents per share	2012 Restated* cents per share
Net tangible asset backing per share	**(100.23)**	(64.04)

* Refer to note 29(b) for details of restatement on the completion of acquisiton accounting for Brasil Online and OCC

A large proportion of the Group's assets are intangible in nature, consisting of goodwill and identifiable intangible assets relating to businesses acquired. These assets are excluded from the calculation of net tangible assets per security, which results in the negative outcome.

Net assets per share at 30 June 2013 was $3.84 (30 June 2012 Restated*: $2.29).

Refer to note 16 for further information on the Group's borrowings and debt facilities.

35. Parent entity financial information

(a) Summary financial information

The individual financial statements for the parent entity show the following aggregate amounts:

	2013 $'000	2012 $'000
Balance sheet		
Current assets	**33,625**	48,466
Total assets	**769,970**	713,533
Current liabilities	**48,385**	45,843
Total liabilities	**437,217**	365,409
Net assets	**332,753**	348,124
Equity		
Issued capital	**188,538**	186,525
Reserves		
Hedging reserve - cash flow hedge reserve	**51**	(429)
Hedging reserve - net investment hedge reserve	**(17,496)**	-
Foreign currency translation reserve	**(65)**	(92)
Share-based payments reserve	**19,199**	12,157
Transactions with non-controlling interests	**(3,629)**	-
Retained earnings	**146,155**	149,963
	332,753	348,124
Profit or loss for the year	**53,159**	67,979
Total comprehensive income	**36,171**	71,516

(b) Guarantees entered into by the parent entity

The parent entity has given unsecured guarantees along with its Australian subsidiaries in respect of the syndicated loan facility of $450,000,000 of which $389,420,000 has been drawn. Refer to note 16.

In addition, there are cross guarantees given by SEEK Limited, as described in note 28. No deficiencies of assets exist in any of these entities. The parent entity has further provided a guarantee in respect of obligations for rental commitments, as described in note 25.

(c) Contingent liabilities of the parent entity

The parent entity did not have any contingent liabilities as at 30 June 2013 (30 June 2012: nil).

(d) Contractual commitments

As at 30 June 2013, the parent entity had contractual commitments for minimum lease payments in relation to non-cancellable operating leases totalling $16,439,000 (2012: $19,088,000). Other commitments for the payment of IT services, advertising and promotions under long-term contracts in existence totalled $2,116,000 (2012: $3,166,000).

SEEK Limited
Directors' Declaration
For the year ended 30 June 2013

In the directors' opinion:

(a) the financial statements and notes set out on pages 49 to 140 are in accordance with the *Corporations Act 2001* , including:

  (i) complying with Accounting Standards, the *Corporations Regulations 2001* and other mandatory professional reporting requirements; and

  (ii) giving a true and fair view of the consolidated entity's financial position as at 30 June 2013 and of its performance for the financial year ended on that date; and

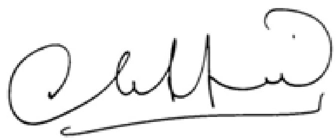
(b) there are reasonable grounds to believe that SEEK Limited will be able to pay its debts as and when they become due and payable; and

(c) at the date of this declaration, there are reasonable grounds to believe that the members of the extended closed group identified in note 28 will be able to meet any obligations or liabilities to which they are, or may become, subject by virtue of the deed of cross guarantee described in note 28.

Note 1(a) confirms that the financial statements also comply with International Financial Reporting Standards as issued by the International Accounting Standards Board.

The directors have been given the declarations by the Chief Executive Officer and Chief Financial Officer required by section 295A of the *Corporations Act 2001* .

This declaration is made in accordance with a resolution of the directors.



Neil Chatfield
Chairman

Melbourne
21 August 2013

Independent auditor's report to the members of SEEK Limited

Report on the financial report

We have audited the accompanying financial report of SEEK Limited (the company), which comprises the consolidated statement of financial position as at 30 June 2013, the consolidated income statement and consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year ended on that date, a summary of significant accounting policies, other explanatory notes and the directors' declaration for the SEEK Limited Group (the consolidated entity). The consolidated entity comprises the company and the entities it controlled at year's end or from time to time during the financial year.

Directors' responsibility for the financial report

The directors of the company are responsible for the preparation of the financial report that gives a true and fair view in accordance with Australian Accounting Standards and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the financial report that is free from material misstatement, whether due to fraud or error. In Note 1, the directors also state, in accordance with Accounting Standard AASB 101 *Presentation of Financial Statements*, that the financial statements comply with *International Financial Reporting Standards*.

Auditor's responsibility

Our responsibility is to express an opinion on the financial report based on our audit. We conducted our audit in accordance with Australian Auditing Standards. Those standards require that we comply with relevant ethical requirements relating to audit engagements and plan and perform the audit to obtain reasonable assurance whether the financial report is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial report. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial report, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the consolidated entity's preparation and fair presentation of the financial report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the directors, as well as evaluating the overall presentation of the financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence

In conducting our audit, we have complied with the independence requirements of the *Corporations Act 2001*.

PricewaterhouseCoopers, ABN 52 780 433 757
Freshwater Place, 2 Southbank Boulevard, SOUTHBANK VIC 3006, GPO Box 1331, MELBOURNE VIC 3001
T: 61 3 8603 1000, F: 61 3 8603 1999, www.pwc.com.au

Auditor's opinion

In our opinion:

(a) the financial report of SEEK Limited is in accordance with the *Corporations Act 2001,* including:

  (i) giving a true and fair view of the consolidated entity's financial position as at 30 June 2013 and of its performance for the year ended on that date; and

  (ii) complying with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Regulations 2001*.

(b) the financial report and notes also comply with International Financial Reporting Standards as disclosed in Note 1.

Report on the Remuneration Report

We have audited the remuneration report included in pages 17 to 35 of the directors' report for the year ended 30 June 2013. The directors of the company are responsible for the preparation and presentation of the remuneration report in accordance with section 300A of the *Corporations Act 2001*. Our responsibility is to express an opinion on the remuneration report, based on our audit conducted in accordance with Australian Auditing Standards.

Auditor's opinion

In our opinion, the remuneration report of SEEK Limited for the year ended 30 June 2013, complies with section 300A of the *Corporations Act 2001*.

PricewaterhouseCoopers

John Yeoman
Partner

Melbourne
21 August 2013