

# Interim Financial Report

SEEK Limited



**For the half-year ended 31 December 2013**

**ABN 46 080 075 314**

Lodged with the ASX under Listing Rule 4.2A

*The information should be read in conjunction with the 30 June 2013 Annual Report*

## 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](http://www.seek.com.au)

## SEEK Limited

ABN 46 080 075 314

### Half-year ended 31 December 2013

(Previous corresponding period: Half-year ended 31 December 2012)

#### Results for Announcement to the Market

		Percentage Change		Amount \$m
<b>Operating revenue</b> from continuing operations	Up	<b>48%</b>	To	<b>337.6</b>
<b>Revenue</b> from ordinary activities from continuing operations	Up	<b>48%</b>	To	<b>343.3</b>
<b>Profit</b> for the period from continuing operations after tax	Up	<b>40%</b>	To	<b>99.6</b>
<b>Profit</b> from discontinued operation after tax	n/a	<b>n/a</b>	To	<b>24.9</b>
<b>Net profit</b> for the period attributable to the owners of SEEK Limited	Up	<b>65%</b>	To	<b>111.2</b>

<b>Dividends/distributions</b>	Amount per security	Franked amount per security
2013 interim dividend paid	10.0 cents	10.0 cents
2013 final dividend paid	12.0 cents	12.0 cents
<b>2014 interim dividend (declared after balance date)</b>	14.0 cents	14.0 cents

**Record date for determining entitlements to the dividend** 9 April 2014

**Dividend payable** 30 April 2014

#### Other information required by Listing Rule 4.2A

The remainder of information requiring disclosure to comply with Listing Rule 4.2A is contained in the Interim Financial Report (which includes the Directors' report).

## SEEK Limited

ABN 46 080 075 314

### Interim financial report for the half year ended 31 December 2013

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This Interim Financial Report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2013 and any public announcements made by SEEK Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

## 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 half-year ended 31 December 2013.

### Directors

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

Neil G Chatfield	Chairman, non-executive director
Andrew R Bassat	Managing Director and Chief Executive Officer (CEO)
Colin B Carter	Non-executive director
Denise I Bradley	Non-executive director
Graham B Goldsmith	Non-executive director

### Review of operations

A summary of consolidated revenues and results for the half-year is set out below:

	Notes	31 Dec 2013 \$m	31 Dec 2012 Restated* \$m
<b>Operating revenue</b>	3	<b>337.6</b>	228.7
Interest income	3	<b>5.7</b>	2.5
<b>Revenue from continuing operations</b>	3	<b>343.3</b>	231.2
<b>Segment EBITDA from continuing operations<sup>(1)</sup></b>	2(b)	<b>142.9</b>	102.9
Depreciation	2(b)	<b>(4.9)</b>	(2.9)
Amortisation	2(b)	<b>(10.6)</b>	(6.7)
Share of net profits of associates and jointly controlled entities accounted for using the equity method	6(b)	<b>11.5</b>	15.6
Amortisation of share-based payments and other long-term incentive schemes	2(c)	<b>(6.8)</b>	(3.0)
Interest income	3	<b>5.7</b>	2.5
Interest expense		<b>(13.6)</b>	(12.6)
<b>Profit from continuing operations before income tax expense</b>		<b>124.2</b>	95.8
Income tax expense	4	<b>(24.6)</b>	(24.7)
<b>Profit from continuing operations</b>		<b>99.6</b>	71.1
Operational results from discontinued operation	15(a)	<b>1.1</b>	1.1
Gain on sale from discontinued operation	15(a)	<b>23.8</b>	-
<b>Profit from discontinued operation</b>	15(a)	<b>24.9</b>	1.1
<b>Profit for the half-year</b>		<b>124.5</b>	72.2
Non-controlling interests		<b>(13.3)</b>	(4.7)
<b>Profit for the half-year attributable to owners of SEEK Limited</b>		<b>111.2</b>	67.5

\* 2012 results have been restated to present the THINK business as a discontinued operation.

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

The Group achieved another record half-year result with growth in revenue from continuing operations of 48%, growth in EBITDA from continuing operations of 39%, and net profit (SEEK share) of \$111.2m (31 Dec 2012: \$67.5m), up 65% on the prior period.

The result was underpinned by strong underlying growth across SEEK International and complemented by strong results from SEEK Learning, Swinburne Online and IDP. SEEK Employment delivered a solid result in relatively subdued macro-economic conditions.

## Directors' report

### Review of operations continued

In November 2013 SEEK sold its remaining 80% stake in THINK to Laureate Education Inc. Consequently THINK results are classified as discontinued operations, and the prior period comparatives have been restated accordingly.

The result for the half-year was impacted by the gain on the sale of THINK of \$23.8m, net of transaction costs and associated tax. Profit attributable to the owners of SEEK Limited would have been \$87.4m (31 Dec 2012: \$67.5m) if adjusted for this transaction.

Further information on results by segment is provided below.

### Domestic - SEEK Employment

	31 Dec 2013	31 Dec 2012	Growth	
	\$m	\$m	\$m	%
<b>Operating revenue</b>	<b>116.9</b>	120.9	(4.0)	(3%)
<b>Segment EBITDA</b>	<b>71.6</b>	75.3	(3.7)	(5%)
<i>Segment EBITDA margin (%)</i>	<b>61%</b>	62%		

The Australian economy experienced a relatively subdued macroeconomic environment with the 6 monthly average unemployment rate reaching 5.8%, the highest level since SEEK's listing in 2004. Despite this, SEEK Employment delivered a solid result with revenue declining only 3%, due to improved pricing, product mix shift and rate card protection in a period where volume decline impacted revenue by 11%.

Operational efficiency helped deliver a solid EBITDA margin of 61%.

#### Key highlights:

- There was strong progress in the 'placement strategy', including:
  - Significant increase in number of candidate profiles in the calendar year to 31 December 2013
  - Growing mobile audience now representing 49% of total visits in Australia
  - Facilitated 25% of the Australian placements in the last 12 months

### Domestic - SEEK Learning

The SEEK Learning segment includes SEEK Learning and share of profits/(losses) from IDP (50%) and Swinburne Online (50%).

	31 Dec 2013	31 Dec 2012	Growth	
	\$m	\$m	\$m	%
<b>Operating revenue</b>	<b>34.9</b>	25.8	9.1	35%
<b>Segment EBITDA</b>	<b>15.7</b>	9.0	6.7	74%
<i>Segment EBITDA margin (%)</i>	<b>45%</b>	35%		
<b>Share of net profits/(losses) of associate and jointly controlled entity</b>				
IDP	<b>7.3</b>	5.8	1.5	26%
Swinburne Online	<b>2.6</b>	(0.2)	2.8	n/a
<b>Share of net profit of associate and jointly controlled entity</b>	<b>9.9</b>	5.6	4.3	77%

#### Key highlights:

- **SEEK Learning** achieved another record half-year result with revenue growth of 35% and EBITDA growth of 74% compared to the prior comparative period. Revenue growth has been aided by the contribution of higher value courses. Operating efficiencies and the inherent operating leverage in the business model were the key drivers of EBITDA margins expanding from 35% to 45%.
- **IDP** achieved a solid result with SEEK's share of NPAT increasing by 26% on the prior period. The key drivers of the result were solid revenue growth across both IELTS tests administered and student placements (both to Australia and multi-destination). IDP paid a dividend of \$7.5m in the half-year (31 Dec 2012: \$5m). Subject to market conditions, IDP is considering an IPO in calendar year 2014.

## Directors' report

### Review of operations continued

- **Swinburne Online** achieved an impressive result, with SEEK share of NPAT at \$2.6m. Swinburne Online's underlying 100% financial results were particularly impressive with revenue of \$23.5m and EBITDA of \$8.2m for the 6 months to 31 December 2013 (for the 12 months to 30 June 2013, Swinburne achieved revenue of \$23.3m and EBITDA of \$5.1m).

### SEEK International

SEEK International owns interests in leading online employment marketplaces that are exposed to favourable structural and macroeconomic trends. SEEK's International segment includes controlling interests in Zhaopin, JobsDB, Brasil Online, and OCC, and equity interests in JobStreet and One Africa Media ("OAM"), together with other operating costs associated with managing SEEK's international investments.

SEEK International is an increasing part of the Group, now comprising 55% of SEEK Group revenue from continuing operations and 39% of EBITDA.

	31 Dec 2013	31 Dec 2012	Growth	
	\$m	\$m	\$m	%
<b>Operating revenue</b>	<b>185.8</b>	82.0	103.8	127%
JobsDB	29.4	24.4	5.0	20%
Brasil Online	55.3	51.3	4.0	8%
OCC	11.6	6.3	5.3	84%
Zhaopin	89.5	n/a	n/a	n/a
<b>Segment EBITDA</b>	<b>55.6</b>	18.6	37.0	199%
JobsDB	10.2	7.8	2.4	31%
Brasil Online	18.3	12.3	6.0	49%
OCC	5.7	1.2	4.5	375%
Zhaopin	24.7	n/a	n/a	n/a
Other operating costs	(3.3)	(2.7)	(0.6)	(22%)
<b>Segment EBITDA margin (%)</b>	<b>30%</b>	23%		
JobsDB	35%	32%		
Brasil Online	33%	24%		
OCC	49%	18%		
Zhaopin	28%	n/a		

SEEK International reported revenue growth of 127% and EBITDA growth of 199%, with Zhaopin being fully consolidated in this first half-year (Zhaopin was accounted for as an associate in the prior comparative period). Strong underlying results were achieved across the international portfolio reflecting effects of both favourable macroeconomic conditions and businesses realising the benefits of re-investment undertaken.

### Key highlights:

- **Zhaopin** has had a strategic focus on growing market share across jobseekers and unique employers in the first half of the year. Despite the focus on customer acquisition and geographic expansion, Zhaopin still achieved a solid result with underlying growth of 13% for revenue and 17% for EBITDA.
- **JobsDB** achieved a pleasing result which reflected the benefits of prior year re-investment across brand, people, sales and marketing. Revenue grew 20% and EBITDA grew 31%. EBITDA margins further expanded to 35%.
- **Brasil Online** achieved strong EBITDA growth of 49% and expansion of margin to 33% due to strong efficiency improvements in sales & marketing.
- **OCC** has completed its pricing model transition and has delivered revenue growth that better captures its market leadership, with 84% revenue growth and EBITDA margin expansion to 49%. This includes a one-off MXN 33m (A\$2.8m) revenue and EBITDA benefit due to change in business model.

## Directors' report

### Review of operations continued

#### Share of net profits/(losses) of International associates

	31 Dec 2013	31 Dec 2012	Growth	
	\$m	\$m	\$m	%
Zhaopin <sup>(1)</sup>	-	8.6	n/a	n/a
JobStreet	1.7	1.4	0.3	21%
OAM	(0.1)	-	n/a	n/a
<b>Share of net profits/(losses) of International associates</b>	<b>1.6</b>	<b>10.0</b>		

1. Comparative result included as Zhaopin was equity accounted to 19 February 2013.

Profits from SEEK's share of International associates were \$1.6m (31 Dec 2012: \$10.0m) which has been impacted by the full consolidation of Zhaopin into the Group results.

#### Key highlights:

- **JobStreet** achieved solid financial results with growth in SEEK's share of NPAT of 21% reflecting robust online revenue growth across all key markets. SEEK received dividends of \$1.7m during the half-year (31 Dec 2012: \$0.7m).
- **OAM**: the operational loss was in line with expectations for this early stage investment.

#### Analysis of key items below EBITDA from continuing operations

	31 Dec 2013	31 Dec 2012	Movement	
Expenses	\$m	\$m	\$m	%
Depreciation	(4.9)	(2.9)	(2.0)	(69%)
Amortisation	(10.6)	(6.7)	(3.9)	(58%)
Amortisation of share-based payments and other long-term incentive schemes	(6.8)	(3.0)	(3.8)	(127%)
Interest income	5.7	2.5	3.2	128%
Interest expense	(13.6)	(12.6)	(1.0)	(8%)

#### Key highlights:

- All key items below EBITDA have increased in comparison to prior period largely due to the impact of the consolidation of Zhaopin into the Group results. This business was equity accounted in the prior comparative period.
- Interest income has further increased due to the higher cash and cash equivalents balance at Group level.



## Directors' report

### Review of operations continued

#### Discontinued operation - THINK

	31 Dec 2013	31 Dec 2012	Movement	
	\$m	\$m	\$m	%
<b>Operating revenue</b> <sup>(1)</sup>	<b>43.1</b>	46.6	(3.5)	(8%)
<b>Segment EBITDA</b>	<b>4.6</b>	4.6	-	0%
<i>Segment EBITDA margin (%)</i>	<i>11%</i>	11%		
<b>Net gain on sale of discontinued operation</b>	<b>23.8</b>	-	23.8	n/a

1. Operating revenue includes intercompany sales elimination of \$2.1m (31 Dec 2012: \$1.8m) for sales made by SEEK Learning to THINK Education Group.

#### Key highlights:

During the half-year, SEEK sold its remaining 80% interest in THINK with cash proceeds of \$99.5m being received. The net gain on sale (net of transaction costs and associated tax) was \$23.8m.

As a result of the sale, THINK was no longer consolidated in the Group results after 30 November 2013. Therefore half-year results only reflect five months of operational performance compared to the full six months in the previous half-year ending 31 December 2012.

#### Significant changes in the state of affairs

##### SEEK announced structural changes

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

SEEK Learning is now strategically managed with the SEEK Employment business headed up by the MD, SEEK Employment & Learning (Aus & NZ), Joe Powell.

Group Strategy Director Michael Ilczynski stepped into the newly created role of MD, Product Development and Strategy, which includes Product, Online Delivery, Technology and Strategy.

##### Change in key management personnel

David Gibbons resigned as SEEK Chief Information Officer, effective 9 August 2013.

##### SEEK completed the sale of its remaining 80% holding in THINK to Laureate Education, Inc.

On 7 November 2013 SEEK announced the sale of its remaining 80% of holding in THINK based on an implied 100% Enterprise Value of \$140.0m. The effective date for this transaction was 30 November 2013 and THINK was no longer consolidated after this date.

## Directors' report

### Matters subsequent to the end of the half-year

#### Acquisition of 100% of the online employment businesses of JobStreet Corporation Berhad ("JobStreet")

On 19 February 2014, the Group announced that SEEK Asia, a majority owned subsidiary, has executed a share purchase agreement to acquire 100% of the online employment businesses of JobStreet. The completion of the transaction is still subject to regulatory approval in Singapore and also approval by JobStreet shareholders.

JobStreet is an online employment market place that operates in Malaysia, Singapore, Indonesia, the Philippines and Vietnam. This acquisition is a continuation of SEEK's expansion in the strategic and high growth Asian region.

Total consideration of MYR 1,730m (equivalent to approximately A\$580m) (excluding transaction costs) is expected to be funded as follows:

- SEEK's consideration of A\$374m, comprising existing JobStreet equity of A\$113m and cash of A\$261m
- SEEK Asia co-investors, Newscorp and Tiger Global, collectively contributing A\$83m
- SEEK Asia intending to access debt funding of A\$123m. This debt will be non-recourse to SEEK Group

*Amounts shown above in Australian dollars are indicative and are based on AUD:MYR exchange rate of 2.98.*

SEEK Limited has provided a guarantee of MYR 1,386m (A\$465m) to SEEK Asia in relation to the transaction. Once the purchase consideration has been paid to the vendor (following contributions by SEEK and the co-investors), the guarantee by SEEK will lapse.

Both Tiger Global and Windfyr Pty Ltd (Newscorp) have provided commitment letters to SEEK Asia as part of the equity contributions transaction and the debt in SEEK Asia has similarly been credit approved. SEEK's cash consideration will be funded through a new syndicated bank debt facility. See below for further information.

On completion of the transaction, SEEK Asia ownership structure is expected to be as follows:

<b>Investor</b>	<b>Ownership in SEEK Asia</b>
	<b>%</b>
<b>SEEK International Investments Pty Ltd</b>	<b>75.2%</b>
<b>Non-controlling interest</b>	
Windfyr Pty Ltd (Newscorp)	12.1%
Tiger Global	9.2%
Macquarie Capital	3.5%
<b>Total non-controlling interest</b>	<b>24.8%</b>

The final ownerships may vary according to actual levels of debt funding accessed via SEEK Asia. Post completion of the transaction, SEEK will continue to consolidate the financial results of SEEK Asia into SEEK's group financial statements.

Based on preliminary estimates, the Group expects to recognise a fair value gain on its pre-existing ownership in JobStreet. In view of the very recent timing of the announcement, the Group are currently working on the initial accounting impacts and it is currently impractical to fully comply with the disclosure requirements of AASB 3 *Business Combinations* as a result of the following outstanding matters:

- The transaction is still subject to regulatory approval in Singapore and JobStreet shareholders' approval. Completion date is yet to be determined but estimated to be late in the financial year.
- Ongoing movements in the carrying value of SEEK's equity accounted investment in JobStreet as a consequence of recognising SEEK's share of JobStreet's profit and loss in the period to transaction completion;
- Potential impacts of ownership dilution from now until completion date;
- Working capital adjustments (if any);
- Exchange rate movement.

## Directors' report

### Matters subsequent to the end of the half-year continued

The Group expect to finalise the acquisition accounting within 12 months of the acquisition date and further information will be provided in the 30 June 2014 SEEK Group Annual Report.

#### Refinancing of syndicated debt facility

The Group has re-financed its syndicated debt facility, part of which will be utilised to fund its share of the JobStreet transaction. The pre-existing facility, comprising two tranches totaling A\$350m and US\$100m, will be extinguished. The new syndicated loan facility will be equivalent to A\$770m and the key features of the facility include:

- Tranche A: A\$183m (2 years)
- Tranche B: A\$282m (3 years)
- Tranche C: US\$273m (4 years)
- As per the previous facility, the structure is a revolving, unsecured, syndicated senior debt facility.

SEEK's syndicated refinancing was over-subscribed and SEEK was strongly supported by its existing members of its current banking syndicate, being NAB, HSBC, CBA, WBC, ANZ and new members of the syndicate, United Overseas Bank, Sumitomo Mitsui Banking Corporation and Bank of Tokyo-Mitsubishi UFJ.

Reflecting SEEK's business model strength and improving funding conditions there has been an improvement in the pricing from the previous debt facility. Other terms and conditions are broadly consistent with the previous debt facility.

#### USD entrusted loan facilities - Zhaopin Limited

On 13 February 2014, Zhaopin executed a new entrusted loan facility agreement with ANZ, which includes a new RMB 85m facility and extends the maturity of the facility for a further two years.

Zhaopin is currently in the process of re-financing its other entrusted loan facilities to extend the maturity periods. Re-financing is progressing well and should be completed in the next few weeks.

#### Auditor's independence declaration

A copy of the Auditor's Independence Declaration as required under section 307C of the *Corporations Act 2001* is set out on page 10.

#### Rounding of amounts

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

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



Neil Chatfield  
Chairman

Melbourne  
19 February 2014




## Auditor's Independence Declaration

As lead auditor for the review of SEEK Limited for the half-year ended 31 December 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 review; and
- b) no contraventions of any applicable code of professional conduct in relation to the review.

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

  
John Yeoman  
Partner  
PricewaterhouseCoopers

Melbourne  
19 February 2014

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VIC 3001  
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Liability limited by a scheme approved under Professional Standards Legislation.

**SEEK Limited**  
**Consolidated income statement**  
**For the half-year ended 31 December 2013**

	Notes	31 Dec 2013 \$m	31 Dec 2012 Restated* \$m
<b>Revenue from continuing operations</b>	3	<b>343.3</b>	231.2
<b>Operating expenses</b>			
Direct cost of services		(13.0)	(2.0)
Sales and marketing		(114.5)	(75.4)
Business development		(23.8)	(16.2)
Operations and administration		(63.3)	(43.2)
Finance costs		(16.0)	(14.2)
<b>Total operating expenses</b>		<b>(230.6)</b>	(151.0)
Share of profits of associates and jointly controlled entities accounted for using the equity method	2, 6(b)	11.5	15.6
<b>Profit before income tax expense from continuing operations</b>		<b>124.2</b>	95.8
Income tax expense	4	(24.6)	(24.7)
<b>Profit from continuing operations</b>		<b>99.6</b>	71.1
Profit from discontinued operation	15(a)	24.9	1.1
<b>Profit for the half-year</b>		<b>124.5</b>	72.2

**Profit is attributable to:**

Owners of SEEK Limited		111.2	67.5
Non-controlling interests	10	13.3	4.7
		<b>124.5</b>	72.2

**Earnings per share for profit from continuing operations attributable to the ordinary equity holders of the Company:**

		Cents	Cents
Basic earnings per share	12	25.6	19.6
Diluted earnings per share	12	25.2	19.5

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

		Cents	Cents
Basic earnings per share	12	32.9	20.0
Diluted earnings per share	12	32.4	19.9

\* 2012 results have been restated to present the THINK business as a discontinued operation, refer to note 15 for details.

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

**SEEK Limited**  
**Consolidated statement of comprehensive income**  
**For the half-year ended 31 December 2013**

	Notes	31 Dec 2013 \$m	31 Dec 2012 \$m
<b>Profit for the half-year</b>		<b>124.5</b>	72.2
<b>Other comprehensive income</b>			
<b>Items that may be reclassified subsequently to profit or loss:</b>			
Exchange differences on translation of foreign controlled operations	10	22.4	(3.0)
Exchange differences on translation of foreign associates	6(b), 10	(1.0)	(1.2)
Gains/(losses) on hedge contracts of controlled entities	10	(7.1)	0.3
Gains on hedge contracts of associates (net of tax)	6(b), 10	0.5	0.1
Income tax recognised in other comprehensive income	10	8.1	0.4
<b>Other comprehensive income for the half-year</b>		<b>22.9</b>	(3.4)
<b>Total comprehensive income for the half-year for SEEK Limited</b>		<b>147.4</b>	68.8
<b>Total comprehensive income for the half-year attributable to:</b>			
Owners of SEEK Limited		132.6	66.4
Non-controlling interests		14.8	2.4
		<b>147.4</b>	68.8
<b>Total comprehensive income for the half-year attributable to owners of SEEK Limited arises from:</b>			
Continuing operations		108.0	64.9
Discontinued operation		24.6	1.5
		<b>132.6</b>	66.4

\* 2012 results have been restated to present the THINK business as a discontinued operation, refer to note 15 for details.

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

**SEEK Limited**  
**Consolidated balance sheet**  
**As at 31 December 2013**

	Notes	31 Dec 2013 \$m	30 Jun 2013 Restated* \$m
<b>Current assets</b>			
Cash and cash equivalents		311.5	184.8
Trade and other receivables		77.6	82.6
Other financial assets	5(a)	89.7	53.4
Current tax assets		1.0	0.1
<b>Total current assets</b>		<b>479.8</b>	<b>320.9</b>
<b>Non-current assets</b>			
Investments accounted for using the equity method	6(b)	154.2	152.4
Plant and equipment		19.0	31.5
Intangible assets		1,578.9	1,635.6
Other non-current financial assets	5(b)	-	33.8
Deferred tax assets		34.7	30.4
<b>Total non-current assets</b>		<b>1,786.8</b>	<b>1,883.7</b>
<b>Total assets</b>		<b>2,266.6</b>	<b>2,204.6</b>
<b>Current liabilities</b>			
Trade and other payables		74.2	76.6
Current borrowings	7(a)	80.1	52.1
Unearned income		115.1	128.8
Other financial liabilities	8	11.4	43.7
Current tax liabilities		20.9	22.2
Current provisions		29.8	34.8
<b>Total current liabilities</b>		<b>331.5</b>	<b>358.2</b>
<b>Non-current liabilities</b>			
Non-current borrowings	7(b)	454.6	436.8
Deferred tax liabilities		79.8	85.5
Non-current provisions		21.5	27.5
<b>Total non-current liabilities</b>		<b>555.9</b>	<b>549.8</b>
<b>Total liabilities</b>		<b>887.4</b>	<b>908.0</b>
<b>Net assets</b>		<b>1,379.2</b>	<b>1,296.6</b>
<b>Equity</b>			
Contributed equity	9(a)	195.0	188.5
Reserves	10	100.2	75.0
Retained profits	10	585.2	513.5
Non-controlling interests	10	498.8	519.6
<b>Total equity</b>		<b>1,379.2</b>	<b>1,296.6</b>

\* Refer to note 13 for details of restatement on preliminary adjustments to the acquisition accounting for Zhaopin.

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

**SEEK Limited**  
**Consolidated statement of changes in equity**  
**For the half-year ended 31 December 2013**

<b>For the half-year ended 31 Dec 2012</b>	Notes	Contributed equity \$m	Reserves \$m	Retained profits \$m	Total \$m	Non- controlling interests \$m	Total \$m
<b>Balance at 1 July 2012</b>		186.5	(63.8)	276.9	399.6	371.6	771.2
Profit for the half-year		-	-	67.5	67.5	4.7	72.2
Other comprehensive income		-	(1.2)	-	(1.2)	(2.2)	(3.4)
<b>Total comprehensive income for the half-year</b>		-	(1.2)	67.5	66.3	2.5	68.8
<b>Transactions with owners in their capacity as owners:</b>							
Dividends provided for or paid		-	-	(30.3)	(30.3)	(0.9)	(31.2)
Employee share option schemes							
- of parent entity	10	-	2.1	-	2.1	-	2.1
- of subsidiaries	10	-	0.5	-	0.5	(0.1)	0.4
Tax associated with employee share option schemes	10	-	(0.2)	0.2	-	-	-
Purchase of shares on-market:							
- employee share option schemes	10	-	(0.7)	(0.6)	(1.3)	-	(1.3)
- treasury shares	10	(1.0)	-	-	(1.0)	-	(1.0)
Exercise of share options in subsidiary	10	-	0.1	-	0.1	0.1	0.2
Partial disposal of THINK to non-controlling interest	10	-	(3.6)	-	(3.6)	17.4	13.8
Exercise of JobsDB put option	10	-	46.1	-	46.1	(34.8)	11.3
<b>Balance at 31 December 2012</b>		185.5	(20.7)	313.7	478.5	355.8	834.3
<b>For the half-year ended 31 Dec 2013</b>							
<b>Balance at 1 July 2013</b>		188.5	75.0	513.5	777.0	519.6	1,296.6
Profit for the half-year		-	-	111.2	111.2	13.3	124.5
Other comprehensive income		-	21.4	-	21.4	1.5	22.9
<b>Total comprehensive income for the half-year</b>		-	21.4	111.2	132.6	14.8	147.4
<b>Transactions with owners in their capacity as owners:</b>							
Contributions of equity, net of transaction costs and tax	9(a)	5.5	-	-	5.5	-	5.5
Dividends provided for or paid	10	-	-	(40.7)	(40.7)	(17.4)	(58.1)
Employee share option schemes:							
- of parent entity	10	-	3.1	-	3.1	-	3.1
- of subsidiaries	10	-	2.9	-	2.9	-	2.9
Tax associated with employee share option schemes	10	-	(1.2)	1.2	-	-	-
Disposal of THINK	10	-	-	-	-	(18.2)	(18.2)
Transfer of treasury shares	10	1.0	(1.0)	-	-	-	-
<b>Balance at 31 December 2013</b>		195.0	100.2	585.2	880.4	498.8	1,379.2

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 half-year ended 31 December 2013**

	Notes	31 Dec 2013 \$m	31 Dec 2012 Restated* \$m
<b>Cash flows from operating activities</b>			
Receipts from customers (inclusive of goods and services tax)		350.3	244.7
Payments to suppliers and employees (inclusive of goods and services tax)		(218.3)	(153.0)
		<b>132.0</b>	<b>91.7</b>
Interest received		5.7	2.5
Interest paid		(10.4)	(9.2)
Settlement of civil, labour and legal cases		-	(7.5)
Income taxes paid		(36.6)	(29.5)
Tax refund received		4.1	-
Cash inflow from operating activities attributable to discontinued operation	15(b)	4.5	3.1
<b>Net cash inflow from operating activities</b>		<b>99.3</b>	<b>51.1</b>
<b>Cash flows from investing activities</b>			
Proceeds from disposal of discontinued operation, net of cash disposed	15(b)	91.5	-
Payments for acquisition of subsidiary, net of cash acquired		(5.0)	-
Dividends and distributions received from associates	6(b)	9.2	5.7
Payment for additional interest in jointly controlled entity		-	(2.5)
Payments for intangible assets		(14.6)	(3.7)
Payments for plant and equipment		(6.0)	(1.6)
Cash outflow from investing activities attributable to discontinued operation	15(b)	(3.3)	(1.4)
<b>Net cash inflow/(outflow) from investing activities</b>		<b>71.8</b>	<b>(3.5)</b>
<b>Cash flows from financing activities</b>			
Proceeds from borrowings		56.0	20.0
Repayments of borrowings		(17.1)	(40.0)
Transaction costs on syndicated debt facility		-	(2.4)
Purchase of shares for employee share options plans		-	(1.3)
Proceeds from issue of shares		5.5	-
Proceeds from share options in subsidiaries		-	0.2
On-market purchase of treasury shares		-	(1.0)
Dividends paid to members of the parent		(40.7)	(30.3)
Dividends paid to non-controlling interests		(17.4)	(2.1)
Payment for additional interest in subsidiary		(36.1)	-
Proceeds from sale of ownership interest in subsidiary		-	13.8
<b>Net cash (outflow) from financing activities</b>		<b>(49.8)</b>	<b>(43.1)</b>
<b>Net increase in cash and cash equivalents</b>		<b>121.3</b>	<b>4.5</b>
Cash and cash equivalents at the beginning of the half-year		184.8	92.7
Effect of exchange rate changes on cash and cash equivalents		5.4	(0.6)
<b>Cash and cash equivalents at the end of the half-year</b>		<b>311.5</b>	<b>96.6</b>

\* 2012 results have been restated to present the THINK business as a discontinued operation.

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

**SEEK Limited**  
**Notes to the financial statements**  
**For the half-year ended 31 December 2013**

**1. Summary of significant accounting policies**

**(a) Basis of preparation of interim financial report**

This condensed consolidated interim financial report for the half-year reporting period ended 31 December 2013 has been prepared in accordance with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Act 2001*. SEEK Limited is a 'for-profit' entity for the purpose of preparing the interim financial statements.

This condensed consolidated interim financial report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 30 June 2013 and any public announcements made by SEEK Limited during the interim reporting period in accordance with the continuous disclosure requirements of the *Corporations Act 2001*.

The accounting policies adopted are consistent with those of the previous financial year and corresponding interim reporting period.

**(b) Critical accounting estimates**

The preparation of this interim financial report 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 this interim financial report, are disclosed in the annual report for the year ended 30 June 2013.

**(c) Discontinued operation**

A discontinued operation is a component of the consolidated entity's business that represents a separate line of business operations that has been disposed of or is held for sale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale if earlier. When an operation is classified as a discontinued operation, the comparative statement of comprehensive income is restated as if the operation had been discontinued from the start of the period.

**(d) Accounting standards issued but not yet effective**

Certain new accounting standards and interpretations have been published that are not mandatory for the current reporting period. The Group has assessed the impact of these new standards and interpretations, and does not expect that initial application will affect any of the amounts recognised in the financial report, but may change the disclosures presently made in relation to the Group. For further details refer to the June 2013 Annual Report.

# SEEK Limited

## Notes to the financial statements

### For the half-year ended 31 December 2013

## 2. 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)).

In July 2013, SEEK's CEO announced that SEEK Learning would be strategically managed with the SEEK Employment business headed up by the MD, SEEK Employment & Learning (Australia & New Zealand). Segment reporting has been realigned in light of these changes. Operating segments reported as of 31 December 2012 and as of 30 June 2013 were Employment, Education (comprising SEEK Learning and THINK) and International; comparative segment information has been restated.

On 7 November 2013, SEEK announced the sale of its remaining 80% holding in THINK. As a consequence, THINK is reported as a discontinued operation in the segment information.

The Group now reports its business through two segments: Domestic and International

- The Domestic business comprises two operating segments: SEEK Employment and SEEK Learning
  - SEEK Employment provides online employment classified advertising services through the SEEK website. It sells these services in Australia, New Zealand and the United Kingdom.
  - SEEK Learning 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. It also includes the results of the Group's investment in IDP and Swinburne Online.
- The International business comprises the following operating segments being controlling interests in:
  - JobsDB (operating in seven countries across South East Asia);
  - Zhaopin (operating in China);
  - Brasil Online (operating in Brazil);
  - OCC (operating in Mexico)

In addition 'International other' segment is reported, 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 excluding share of net profits from associates and jointly controlled entities accounted for using the equity method, net gains/(losses) on acquisition and disposals, impairment losses, amortisation of share-based payments and long-term incentives schemes. 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 and assets 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 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 are measured in a manner consistent with that of the financial statements. Assets are allocated based on the operations of the segment.

**SEEK Limited**  
**Notes to the financial statements**  
**For the half-year ended 31 December 2013**

**2. Segment information continued**

**(b) Segment information provided to the CODM**

Half-year ended 31 December 2013	Notes	Domestic			International					Continuing	Discontinued	Consolidated	
		Employment	Learning	Total	JobsDB	Brasil Online	OCC	Zhaopin	Int'l Other	Operations	Operation		
		\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	
Revenue													
Segment revenue from external customers		116.9	32.8	149.7	29.4	55.3	11.6	89.5	-	185.8	335.5	45.2	380.7
Inter-segment revenue <sup>(1)</sup>		-	2.1	2.1	-	-	-	-	-	-	2.1	(2.1)	-
<b>Total segment revenue</b>	3	<b>116.9</b>	<b>34.9</b>	<b>151.8</b>	<b>29.4</b>	<b>55.3</b>	<b>11.6</b>	<b>89.5</b>	<b>-</b>	<b>185.8</b>	<b>337.6</b>	<b>43.1</b>	<b>380.7</b>
Interest income	3										5.7	0.1	5.8
<b>Consolidated revenue</b>	3										<b>343.3</b>	<b>43.2</b>	<b>386.5</b>
<b>Segment EBITDA</b>		<b>71.6</b>	<b>15.7</b>	<b>87.3</b>	<b>10.2</b>	<b>18.3</b>	<b>5.7</b>	<b>24.7</b>	<b>(3.3)</b>	<b>55.6</b>	<b>142.9</b>	<b>4.6</b>	<b>147.5</b>
Depreciation		(0.8)	(0.6)	(1.4)	(0.6)	(0.8)	(0.3)	(1.8)	-	(3.5)	(4.9)	(1.8)	(6.7)
Amortisation		(3.3)	(0.3)	(3.6)	(3.0)	(0.2)	(0.8)	(3.0)	-	(7.0)	(10.6)	(1.2)	(11.8)
Share of profits from associates and jointly controlled entities accounted for using the equity method	6	-	9.9	9.9	-	-	-	-	1.6	1.6	11.5	-	11.5
Net gain on disposal before tax	15(a)			-						-	-	25.1	25.1
<b>Total Segment assets at 31 December 2013</b>		<b>199.9</b>	<b>107.4</b>	<b>307.3</b>	<b>421.9</b>	<b>417.5</b>	<b>191.9</b>	<b>818.8</b>	<b>73.5</b>	<b>1,923.6</b>	<b>2,230.9</b>	<b>-</b>	<b>2,230.9</b>
<b>Half-year ended 31 December 2012 Restated*</b>													
Revenue													
Segment revenue from external customers		120.9	24.0	144.9	24.4	51.3	6.3	-	-	82.0	226.9	48.4	275.3
Inter-segment revenue <sup>(1)</sup>		-	1.8	1.8	-	-	-	-	-	-	1.8	(1.8)	-
<b>Total segment revenue</b>	3	<b>120.9</b>	<b>25.8</b>	<b>146.7</b>	<b>24.4</b>	<b>51.3</b>	<b>6.3</b>	<b>-</b>	<b>-</b>	<b>82.0</b>	<b>228.7</b>	<b>46.6</b>	<b>275.3</b>
Interest income	3										2.5	0.1	2.6
<b>Consolidated revenue</b>	3										<b>231.2</b>	<b>46.7</b>	<b>277.9</b>
<b>Segment EBITDA</b>		<b>75.3</b>	<b>9.0</b>	<b>84.3</b>	<b>7.8</b>	<b>12.3</b>	<b>1.2</b>	<b>-</b>	<b>(2.7)</b>	<b>18.6</b>	<b>102.9</b>	<b>4.6</b>	<b>107.5</b>
Depreciation		(1.0)	(0.6)	(1.6)	(0.5)	(0.5)	(0.3)	-	-	(1.3)	(2.9)	(1.8)	(4.7)
Amortisation		(1.7)	(0.2)	(1.9)	(2.7)	(1.4)	(0.7)	-	-	(4.8)	(6.7)	(1.3)	(8.0)
Share of profits from associates and jointly controlled entities accounted for using the equity method		-	5.6	5.6	-	-	-	8.6	1.4	10.0	15.6	-	15.6
<b>Total segment assets at 30 June 2013</b>		<b>59.8</b>	<b>101.9</b>	<b>161.7</b>	<b>421.6</b>	<b>445.6</b>	<b>192.3</b>	<b>753.8</b>	<b>75.5</b>	<b>1,888.8</b>	<b>2,050.5</b>	<b>123.6</b>	<b>2,174.1</b>

1. Inter-segment revenue includes intercompany sales elimination of \$2.1m (31 Dec 2012: \$1.8m) for sales made by SEEK Learning to THINK Education Group.

\* 2012 results have been restated to present the THINK business as a discontinued operation, refer to note 15 for details.

Refer to note 13 for details of restatement on preliminary adjustments to the acquisition accounting for Zhaopin.

**SEEK Limited**  
**Notes to the financial statements**  
**For the half-year ended 31 December 2013**

**2. Segment information continued**

**(c) Reconciliation of segment EBITDA from continuing operations to operating profit before income tax:**

	Notes	31 Dec 2013 \$m	31 Dec 2012 Restated* \$m
<b>Segment EBITDA from continuing operations</b>		<b>142.9</b>	102.9
Depreciation		(4.9)	(2.9)
Amortisation		(10.6)	(6.7)
Share of net profits of associates and jointly controlled entities accounted for using the equity method	6(b)	11.5	15.6
Amortisation of share-based payments and other long-term incentive schemes		(6.8)	(3.0)
Interest income	3	5.7	2.5
Interest expense		(13.6)	(12.6)
<b>Profit before income tax expense from continuing operations</b>		<b>124.2</b>	95.8
Income tax expense	4	(24.6)	(24.7)
<b>Profit from continuing operations</b>		<b>99.6</b>	71.1
Operational results from discontinued operation	15(a)	1.1	1.1
Gain on sale from discontinued operation	15(a)	23.8	-
<b>Profit from discontinued operation</b>	15(a)	<b>24.9</b>	1.1
<b>Profit for the half-year</b>		<b>124.5</b>	72.2
Non-controlling interests		(13.3)	(4.7)
<b>Profit for the half-year attributable to the owners of SEEK Limited</b>		<b>111.2</b>	67.5

\* 2012 results have been restated to present the THINK business as a discontinued operation, refer to note 15 for details.

**3. Revenue**

	Notes	31 Dec 2013 \$m	31 Dec 2012 Restated* \$m
<b>Revenue from continuing operations</b>			
<b>Sales revenue</b>			
Employment - job and banner advertising		116.9	120.9
International - job, banner advertising and CV online		185.8	82.0
Learning - commission revenue		33.1	22.4
Learning - classroom-based training		1.8	3.4
<b>Total sales revenue</b>		<b>337.6</b>	228.7
<b>Other revenue</b>			
Interest income		5.7	2.5
<b>Total revenue from continuing operations</b>		<b>343.3</b>	231.2
<b>Revenue from discontinued operation</b>			
THINK - classroom-based training <sup>(1)</sup>	15(a)	43.1	46.6
<b>Total sales revenue</b>		<b>43.1</b>	46.6
<b>Other revenue</b>			
Interest income	15(a)	0.1	0.1
<b>Total revenue from discontinued operation</b>		<b>43.2</b>	46.7

\* 2012 results have been restated to present the THINK business as a discontinued operation, refer to note 15 for details.

1. This includes intercompany sales elimination of \$2.1m (2013: \$1.8m) for sales made by SEEK Learning to THINK Education Group.

**SEEK Limited**  
**Notes to the financial statements**  
**For the half-year ended 31 December 2013**

**4. Income tax**

**Numerical reconciliation of income tax expense to prima facie tax payable:**

	31 Dec 2013 \$m	31 Dec 2012 \$m
<b>Profit from ordinary activities before income tax</b>		
Continuing operations	124.2	95.8
Discontinued operation	26.7	1.7
	<b>150.9</b>	<b>97.5</b>
Income tax calculated @ 30% (2012: 30%)	45.3	29.2
Tax effect of amounts that are not deductible/(taxable) in calculating income tax:		
Release of acquisition provisions	(2.7)	-
Foreign subsidiary losses not recognised in the Group	0.1	-
Research and development claim	(0.7)	(0.1)
Non-taxable gain on disposal of subsidiary	(6.1)	-
Interest on equity deduction	(0.5)	-
Tax effect on share of profits of associates and jointly controlled entities	(3.4)	(4.7)
Non-deductible expenses:		
Legal fees and acquisition costs	0.1	0.1
Share-based payments	0.1	0.1
Non-deductible interest	-	0.1
Other non-deductible/non-assessable items	(0.1)	0.5
	<b>32.1</b>	<b>25.2</b>
<b>Income tax adjusted for permanent differences:</b>		
Effect of movements in foreign exchange	(0.1)	-
Effect of different rates of tax on overseas income	(1.8)	0.2
Tax refund from prior years	(3.9)	-
Under/(over) provision in prior year	0.1	(0.1)
<b>Income tax expense attributable to profit from ordinary activities</b>	<b>26.4</b>	<b>25.3</b>
<b>Income tax expense is attributable to:</b>		
Continuing operations	24.6	24.7
Discontinued operation	1.8	0.6
<b>Total income tax expense</b>	<b>26.4</b>	<b>25.3</b>

**5. Other financial assets**

**(a) Current financial assets**

	31 Dec 2013 \$m	30 Jun 2013 \$m
Hedge assets	1.2	2.3
Short-term bonds	0.2	0.2
Funds on deposit for entrusted loan facilities (i)	88.3	50.9
<b>Total other current financial assets</b>	<b>89.7</b>	<b>53.4</b>

**(b) Non-current financial assets**

	31 Dec 2013 \$m	30 Jun 2013 \$m
Funds on deposit for entrusted loan facilities (i)	-	33.8

**(i) Funds on deposit for entrusted loan facilities**

Zhaopin entrusted loan facilities are supported by funds on deposit of RMB 478.7m (A\$88.3m). Refer to note 7(i) for further information.

**SEEK Limited**  
**Notes to the financial statements**  
**For the half-year ended 31 December 2013**

**6. 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 2013 to the earlier of the date the investment ceased to be an associate or jointly controlled entity or 31 December 2013.

**(a) Details of associates and jointly controlled entity**

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

Associates	Country of Incorporation	Ownership interest %		Year end	Principal activities
		Dec 2013	Jun 2013		
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)
JobStreet Corporation Berhad ("JobStreet")	Malaysia	22.2	22.4	31 December	Provider of online employment websites in Asia (listed in Malaysia)
Private Property Holdings Pty Ltd ("One Africa Media" or "OAM")	South Africa	25.8	27.0	28 February	Owens, operates and invests in a portfolio of African market leading online marketplaces in the segments of jobs, cars, real estate and travel
<b>Jointly controlled entity</b>					
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

**(b) Investments in associates and jointly controlled entity**

Notes	IDP \$m	JobStreet <sup>(1)</sup> \$m	OAM \$m	Swinburne \$m	Total \$m
<b>Carrying amount as at 1 July 2013</b>	<b>74.4</b>	<b>51.3</b>	<b>22.5</b>	<b>4.2</b>	<b>152.4</b>
Dividends and distributions received or declared in the year	(7.5)	(1.7)	-	-	(9.2)
Share of profits after income tax	7.3	1.7	(0.1)	2.6	11.5
Movements in reserves:					
- foreign currency translation reserve	0.1	0.2	(1.3)	-	(1.0)
- cash flow hedge reserve	0.5	-	-	-	0.5
<b>Carrying amount as at 31 December 2013</b>	<b>74.8</b>	<b>51.5</b>	<b>21.1</b>	<b>6.8</b>	<b>154.2</b>

1. JobStreet is listed in Malaysia. At 31 Dec 2013, the market value of the Group's investment in JobStreet was \$119.7m (30 June 2013: \$95.2m) based on the published share price as at that date.

**SEEK Limited**  
**Notes to the financial statements**  
**For the half-year ended 31 December 2013**

**7. Borrowings**

**(a) Current borrowings**

	<b>31 Dec 2013</b>	<b>30 Jun 2013</b>
	<b>\$m</b>	<b>\$m</b>
Entrusted loan facilities (i)	<b>76.5</b>	44.8
Short-term loan (ii)	<b>3.6</b>	7.1
Current lease liability	-	0.2
<b>Total current borrowings</b>	<b>80.1</b>	<b>52.1</b>

**(b) Non-current borrowings**

	<b>31 Dec 2013</b>	<b>30 Jun 2013</b>
	<b>\$m</b>	<b>\$m</b>
Bank borrowings - principal (iii)	<b>438.7</b>	389.4
Entrusted loan facilities	-	29.5
Long-term loan (ii)	<b>18.2</b>	21.2
Non-current lease liability	-	0.3
Less: transaction costs capitalised	<b>(2.3)</b>	(3.6)
<b>Total non-current borrowings</b>	<b>454.6</b>	<b>436.8</b>

**(i) USD entrusted loan facilities - Zhaopin Limited**

During the previous financial year ending 30 June 2013, the Group acquired a controlling interest in Zhaopin Ltd. The transaction was partially funded by Zhaopin establishing entrusted loan facilities of US\$68.0m with CMB, HSBC and ANZ banks. The entrusted loan facilities mature between February 2014 and August 2014.

The facilities are supported by funds on deposit of RMB 478.7m (A\$88.3m) within the Zhaopin Group and are non-recourse to the SEEK Limited wholly-owned group.

**(ii) 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\$250.0m in SEEK Asia. It was supported by guarantees, cross guarantees and security provided by agreed SEEK Asia subsidiaries.

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.

As at 31 December 2013 the principal loan balance was A\$21.8m (HK\$150.0m).

**Matters subsequent to the half-year**

- Subsequent to half-year, the Group repaid A\$100.0m on its syndicated loan facility. As at the date of this report, the principal loan balance was A\$336.3m, comprising A\$226.0m and US\$100.0m.
- On 13 February 2014, Zhaopin executed a new entrusted loan facility agreement with ANZ. The facility comprises US\$20m and RMB 85m and extends the maturity for a further two years. Zhaopin is currently in the process of re-financing its other entrusted loan facilities to extend the maturity periods. Re-financing is progressing well and should be completed in the next few weeks. At the date of this report, the entrusted loan balance is A\$36.5m (US\$33m).
- On 19 February 2014, the Group announced that SEEK Asia has executed a share purchase agreement to acquire 100% of the online employment business of JobStreet Corporation Berhad. In order to fund this transaction, the Group is re-financing its syndicated loan facility and the SEEK Asia loan facility. For further information refer to note 17.



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**8. Other financial liabilities**

	<b>31 Dec 2013</b>	<b>30 Jun 2013</b>
	<b>\$m</b>	<b>\$m</b>
Put option (i)	-	36.8
Deferred consideration (ii)	1.5	1.4
Hedge liabilities	9.9	5.5
<b>Total other financial liabilities</b>	<b>11.4</b>	<b>43.7</b>

**(i) Put option**

During the previous financial year ending 30 June 2013, the Group acquired a controlling interest in Zhaopin Ltd. Related to this transaction was 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, SEEK recognised a liability of \$36.8m for this arrangement. The arrangement was exercised and on 1 November 2013, the Group settled the financial liability for A\$35.5m (US\$33.7m), excluding the impact of hedging arrangements.

**(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 31 December 2013 exchange rates.

**9. Contributed equity**

**(a) Share capital**

<b>Reconciliation to 30 June 2013</b>	<b>Notes</b>	<b>Number of shares</b>	<b>Average issue price</b>	<b>\$m</b>
Balance at 1 July 2012		337,101,307		186.5
<b>Issues of ordinary shares:</b>				
Exercise of options		731,712	\$4.10	3.0
<b>Balance at 30 June 2013 (including treasury shares)</b>		<b>337,833,019</b>		<b>189.5</b>
Less: Treasury shares (b)		(138,232)	\$7.14	(1.0)
<b>Balance at 30 June 2013 (excluding treasury shares)</b>		<b>337,694,787</b>		<b>188.5</b>

**Reconciliation to 31 December 2013**

Balance at 1 July 2013		<b>337,833,019</b>		<b>189.5</b>
<b>Issues of ordinary shares:</b>				
Exercise of options		<b>889,878</b>	<b>\$6.19</b>	<b>5.5</b>
Exercise of performance rights		<b>429,167</b>	-	-
<b>Balance at 31 December 2013 (including treasury shares)</b>		<b>339,152,064</b>		<b>195.0</b>
Less: Treasury shares (b)	9(b)	<b>(407,286)</b>	-	-
<b>Balance at 31 December 2013 (excluding treasury shares)</b>		<b>338,744,778</b>		<b>195.0</b>

**(b) Treasury shares**

On 1 July 2013, treasury shares held at 30 June 2013 were transferred to employees under the Performance Rights and Options plan. These shares therefore ceased to be held as treasury shares after this date.

In August 2013 the Group issued 429,167 shares to be held in the Employee Share Trust for the participants of certain equity-based compensation schemes; 407,286 of these shares were held as treasury shares at 31 December 2013.

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**10. Equity**

**Reconciliation of movement in equity**

	Notes	Contributed equity \$m	Reserves							Retained profits \$m	Non-controlling interests \$m	Total equity \$m
			Share-based payments reserve \$m	Foreign currency translation reserve \$m	Hedging reserve - cash flow hedge reserve \$m	Hedging reserve - net investment hedge \$m	Redemption reserve (i) \$m	Transactions with non-controlling interests (ii) \$m	Total Reserves \$m			
<b>For the half-year ended 31 December 2012</b>												
<b>Balance at 1 July 2012 Restated*</b>		186.5	12.2	(23.1)	(1.3)	0.7	(52.3)	-	(63.8)	276.9	371.6	771.2
Profit for the half-year		-	-	-	-	-	-	-	-	67.5	4.7	72.2
Exchange differences on translation of foreign controlled operations		-	-	(0.8)	-	-	-	-	(0.8)	-	(2.2)	(3.0)
Exchange differences on translation of foreign associates		-	-	(1.2)	-	-	-	-	(1.2)	-	-	(1.2)
Gains/(losses) on hedge contracts of controlled entities		-	-	-	(0.7)	1.0	-	-	0.3	-	-	0.3
Gains on hedge contracts of associates (net of tax)		-	-	-	0.1	-	-	-	0.1	-	-	0.1
Income tax recognised in other comprehensive income		-	0.4	-	-	-	-	-	0.4	-	-	0.4
<b>Total comprehensive income for the half-year</b>		-	0.4	(2.0)	(0.6)	1.0	-	-	(1.2)	67.5	2.5	68.8
<b>Transactions with owners in their capacity as owners:</b>												
Dividends provided for or paid		-	-	-	-	-	-	-	-	(30.3)	(0.9)	(31.2)
Employee share option schemes		-	-	-	-	-	-	-	-	-	-	-
- of parent entity		-	2.1	-	-	-	-	-	2.1	-	-	2.1
- of subsidiaries		-	0.5	-	-	-	-	-	0.5	-	(0.1)	0.4
Tax associated with employee share options schemes		-	(0.2)	-	-	-	-	-	(0.2)	0.2	-	-
Purchase of shares on-market:		-	-	-	-	-	-	-	-	-	-	-
- employee share options scheme		-	(0.7)	-	-	-	-	-	(0.7)	(0.6)	-	(1.3)
- treasury shares		(1.0)	-	-	-	-	-	-	-	-	-	(1.0)
Exercise of share options in subsidiary		-	-	-	-	-	-	0.1	0.1	-	0.1	0.2
Partial disposal of THINK to non-controlling interest		-	-	-	-	-	-	(3.6)	(3.6)	-	17.4	13.8
Exercise of JobsDB Put Option		-	-	1.6	-	-	50.6	(6.1)	46.1	-	(34.8)	11.3
Transfer of reserves		-	-	-	-	-	1.7	(1.7)	-	-	-	-
<b>Balance at 31 December 2012</b>		185.5	14.3	(23.5)	(1.9)	1.7	-	(11.3)	(20.7)	313.7	355.8	834.3
<b>For the half-year ended 31 December 2013</b>												
<b>Balance at 1 July 2013</b>		188.5	22.1	85.0	0.7	(21.6)	-	(11.2)	75.0	513.5	519.6	1,296.6
Profit for the half-year		-	-	-	-	-	-	-	-	111.2	13.3	124.5
Exchange differences on translation of foreign controlled operations		-	-	20.8	-	-	-	-	20.8	-	1.6	22.4
Exchange differences on translation of foreign associates		-	-	(1.0)	-	-	-	-	(1.0)	-	-	(1.0)
Gains/(losses) on hedge contracts of controlled entities		-	-	-	(2.2)	(4.8)	-	-	(7.0)	-	(0.1)	(7.1)
Gains on hedge contracts of associates (net of tax)		-	-	-	0.5	-	-	-	0.5	-	-	0.5
Income tax recognised in other comprehensive income		-	8.1	-	-	-	-	-	8.1	-	-	8.1
<b>Total comprehensive income for the half-year</b>		-	8.1	19.8	(1.7)	(4.8)	-	-	21.4	111.2	14.8	147.4
<b>Transactions with owners in their capacity as owners:</b>												
Contributions of equity, net of transaction costs and tax		5.5	-	-	-	-	-	-	-	-	-	5.5
Dividends provided for or paid		-	-	-	-	-	-	-	-	(40.7)	(17.4)	(58.1)
Employee share option schemes		-	-	-	-	-	-	-	-	-	-	-
- of parent entity		-	3.1	-	-	-	-	-	3.1	-	-	3.1
- of subsidiaries		-	2.9	-	-	-	-	-	2.9	-	-	2.9
Tax associated with employee share options schemes		-	(1.2)	-	-	-	-	-	(1.2)	1.2	-	-
Disposal of THINK		-	-	-	-	-	-	-	-	-	(18.2)	(18.2)
Transfer of treasury shares		1.0	(1.0)	-	-	-	-	-	(1.0)	-	-	-
<b>Balance at 31 December 2013</b>		195.0	34.0	104.8	(1.0)	(26.4)	-	(11.2)	100.2	585.2	498.8	1,379.2

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**11. Dividends**

	Payment date	Amount per share	Franked amount per share	Total dividend \$m
<b>Financial year 2013</b>				
2012 final dividend	16 October 2012	9.0 cents	9.0 cents	\$30.3
2013 interim dividend	17 April 2013	10.0 cents	10.0 cents	\$33.8
Total dividends paid for the year ended 30 June 2013				\$64.1
<b>Financial year 2014</b>				
2013 final dividend	16 October 2013	12.0 cents	12.0 cents	\$40.7
Dividends declared by the Company after the half-year (to be paid out of retained profits at 31 December 2013):				
2014 interim dividend	30 April 2014	14.0 cents	14.0 cents	\$47.5

**12. Earnings per share (EPS)**

	31 Dec 2013 Cents per share	31 Dec 2012 Cents per share
<b>(a) Basic earnings per share</b>		
Basic EPS attributable to the ordinary equity holders of the company:		
From continuing operations	25.6	19.6
From discontinued operation	7.3	0.4
	<b>32.9</b>	20.0
<b>(b) Diluted earnings per share</b>		
Diluted EPS attributable to the ordinary equity holders of the company:		
From continuing operations	25.2	19.5
From discontinued operation	7.2	0.4
	<b>32.4</b>	19.9
<b>(c) Weighted average number of shares used as the denominator</b>		
	31 Dec 2013 number	31 Dec 2012 number
Weighted average number of shares used as denominator in calculating basic EPS	338,406,455	337,012,174
Weighted average of potential dilutive ordinary shares:		
- performance rights and options	3,590,391	1,072,514
- deferred share plans	777,054	671,025
Weighted average number of shares used as the denominator in calculating diluted EPS	<b>342,773,900</b>	338,755,713
<b>(d) Reconciliations of earnings used in calculating earnings per share</b>		
	31 Dec 2013 \$m	31 Dec 2012 \$m
Profit attributable to the ordinary equity holders of the company used in calculating basic EPS:		
From continuing operations	86.6	66.0
From discontinued operation	24.6	1.5
	<b>111.2</b>	67.5

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**13. Business combinations**

**Finalisation of Zhaopin Ltd step acquisition**

During the previous financial year ending 30 June 2013, SEEK Ltd, through its wholly owned subsidiary SEEK International Investment 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\$118.8m (A\$114.8m);
- On 28 February 2013, the Group acquired a further 4.2% interest in Zhaopin at a cost of US\$14.6m (A\$14.2m), taking its interest in Zhaopin from 74.2% to 78.4%.

Further details of the acquisition and preliminary purchase consideration are disclosed in the annual report for the year ended 30 June 2013.

**Details of assets and liabilities acquired**

Given that the acquisition 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 intangibles assets was preliminary.

In accordance with the Group's accounting policy, the accounting for the acquisition of Zhaopin was finalised during the current half-year and the preliminary step acquisition balances have been updated accordingly. There have been reallocations of the purchase price as outlined in the table. These reallocations were between customer relationships, current provisions and deferred tax liabilities.

Revised goodwill is \$377.4m (preliminary goodwill \$374.0m).

The final fair value of the assets and liabilities arising from the Zhaopin step acquisitions are as follows:

	<b>Final fair value \$m</b>	<b>Preliminary fair value \$m</b>
Cash and cash equivalents	46.5	46.5
Current and non-current financial assets	73.9	73.9
Trade and other receivables	11.7	11.7
Plant and equipment	5.3	5.3
Intangible assets		
Brands and licences	110.2	110.2
Customer relationships	8.3	11.2
Computer software and website development	8.6	8.6
Applicant database	0.7	0.7
Deferred tax assets	2.6	2.6
Trade and other payables	(18.2)	(18.2)
Unearned income	(50.8)	(50.8)
Current tax liabilities	(4.8)	(4.8)
Borrowings	(65.9)	(65.9)
Preference share debts	(74.3)	(74.3)
Current provisions	(19.9)	(18.7)
Deferred tax liabilities	(32.0)	(32.7)
<b>Net identifiable assets acquired</b>	<b>1.9</b>	<b>5.3</b>
Add: goodwill	377.4	374.0
<b>Net assets acquired</b>	<b>379.3</b>	<b>379.3</b>

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**14. Net tangible asset backing**

30 Jun 2013

	31 Dec 2013	30 Jun 2013
	Cents per share	Restated*
	Cents per share	Cents per share
<b>Net tangible asset backing per share (net of treasury shares)</b>	<b>(58.95)</b>	<b>(100.39)</b>

\* Refer to note 13 for details of restatement on preliminary adjustments to the acquisition accounting for Zhaopin.

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 share, which results in the negative outcome.

Net assets per share at 31 December 2013 was \$4.07 (30 June 2013: \$3.84).

**15. Discontinued operation**

On 7 November 2013, SEEK Limited and Laureate Education, Inc. entered into a share sale agreement for Laureate to acquire the remaining 80% of THINK Education Group. SEEK ceased to have control of THINK after 30 November 2013, on the basis that SEEK no longer had the power to direct activities that affect returns from that date. Cash settlement was received on 20 December 2013. The sale of THINK represents a strategic decision which will allow management to focus on its key online employment and education businesses.

The THINK segment was not a discontinued operation or classified as held for sale at 31 December 2012. The comparative consolidated statement of profit or loss and other comprehensive income has been re-presented to show the discontinued operation separately from continuing operations.

**(a) Financial performance**

The financial performance presented is for the five months ended 30 November 2013 (2013 column) and the six months ended 31 December 2012.

	Notes	31 Dec 2013	31 Dec 2012
		\$m	\$m
Revenue			
Education - classroom based training		45.2	48.4
Intercompany sales elimination <sup>(1)</sup>		(2.1)	(1.8)
<b>Total revenue</b>	3	<b>43.1</b>	<b>46.6</b>
Interest income	3	0.1	0.1
Expenses		(41.5)	(44.9)
Finance costs		(0.1)	(0.1)
Results from operating activities		1.6	1.7
Tax expense	4	(0.5)	(0.6)
<b>Results from operating activities, net of tax</b>		<b>1.1</b>	<b>1.1</b>
Gain on sale from discontinued operation		27.9	-
Transaction costs		(2.8)	-
Gain on sale from discontinued operation before tax		25.1	-
Tax on gain on sale from discontinued operation <sup>(2)</sup>		(1.3)	-
<b>Gain on sale from discontinued operation after tax</b>		<b>23.8</b>	<b>-</b>
<b>Profit for the half-year from discontinued operation</b>		<b>24.9</b>	<b>1.1</b>
Attributable to:			
Owners of SEEK Limited		24.6	1.5
Non-controlling interest		0.3	(0.4)
		<b>24.9</b>	<b>1.1</b>

1. This includes intercompany sales elimination of \$2.1m (31 Dec 2012: \$1.8m) for sales made by SEEK Learning to THINK Education Group.

2. The tax expense in relation to the disposal has been partially offset by the utilisation of available capital losses, and also reflects the fact that the shares had a higher tax base than the carrying amount.

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**15. Discontinued operation continued**

**(b) Cash flow information**

The cash flow information presented is for the five months ended 30 November 2013 (2013 column) and the six months ended 31 December 2012.

	<b>31 Dec 2013</b>	<b>31 Dec 2012</b>
	<b>\$m</b>	<b>\$m</b>
Net cash inflow from operating activities	4.5	3.1
Net cash inflow/(outflow) from investing activities:		
- cash flows incurred in the ordinary course of business	(3.3)	(1.4)
- proceeds from the sale of THINK, net of cash disposed	91.5	-
<b>Net increase in cash generated by discontinued operations</b>	<b>92.7</b>	<b>1.7</b>

**(c) Carrying amounts of assets and liabilities**

The carrying amounts of assets and liabilities as at the date of deconsolidation (30 November 2013) were:

	<b>30 Nov 2013</b>
	<b>\$m</b>
Cash and cash equivalents	<b>8.0</b>
Trade and other receivables	<b>9.6</b>
Plant and equipment	<b>12.3</b>
Intangibles	<b>87.6</b>
Deferred tax asset	<b>4.7</b>
Trade and other payables	<b>(6.3)</b>
Unearned income	<b>(10.2)</b>
Lease liabilities	<b>(0.4)</b>
Current tax liability	<b>(0.2)</b>
Provisions	<b>(9.1)</b>
Deferred tax liability	<b>(5.4)</b>
<b>Net assets and liabilities</b>	<b>90.6</b>
Less: non-controlling interest	<b>(18.2)</b>
<b>Carrying amount of net assets sold</b>	<b>72.4</b>

**(d) Details of consideration**

	<b>30 Nov 2013</b>
	<b>\$m</b>
Consideration received or receivable:	
Cash	<b>99.5</b>
Present value of amounts due in the future	<b>0.8</b>
<b>Total disposal consideration</b>	<b>100.3</b>
Carrying amount of net assets sold	<b>72.4</b>
Transaction costs	<b>2.8</b>
<b>Gain on sale before income tax</b>	<b>25.1</b>
Income tax expense	<b>(1.3)</b>
<b>Gain on sale after income tax</b>	<b>23.8</b>

In addition to the consideration above, \$8.0m has been held in escrow and will be paid dependent on future enrolments made by SEEK Learning. In accordance with AASB 118: *Revenue Recognition* \$1.7m revenue has been recognised at 31 December 2013 based on the proportion of SEEK Learning enrolments in THINK courses to date.

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**16. Fair value measurement of financial instruments**

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 31 December 2013 the Group held at fair value the following level 2 derivative financial instruments:

- Derivative financial assets: \$1.2m
- Derivative financial liabilities: \$9.9m

**17. Events occurring after balance date**

**Acquisition of 100% of the online employment businesses of JobStreet Corporation Berhad (“JobStreet”)**

On 19 February 2014, the Group announced that SEEK Asia, a majority owned subsidiary, has executed a share purchase agreement to acquire 100% of the online employment businesses of JobStreet. The completion of the transaction is still subject to regulatory approval in Singapore and also approval by JobStreet shareholders.

JobStreet is an online employment market place that operates in Malaysia, Singapore, Indonesia, the Philippines and Vietnam. This acquisition is a continuation of SEEK’s expansion in the strategic and high growth Asian region.

Total consideration of MYR 1,730m (equivalent to approximately A\$580m) (excluding transaction costs) is expected to be funded as follows:

- SEEK’s consideration of A\$374m, comprising existing JobStreet equity of A\$113m and cash of A\$261m
- SEEK Asia co-investors, Newscorp and Tiger Global, collectively contributing A\$83m
- SEEK Asia intending to access debt funding of A\$123m. This debt will be non-recourse to SEEK Group

*Amounts shown above in Australian dollars are indicative and are based on AUD:MYR exchange rate of 2.98.*

SEEK Limited has provided a guarantee of MYR 1,386m (A\$465m) to SEEK Asia in relation to the transaction. Once the purchase consideration has been paid to the vendor (following contributions by SEEK and the co-investors), the guarantee by SEEK will lapse.

Both Tiger Global and Windfyr Pty Ltd (Newscorp) have provided commitment letters to SEEK Asia as part of the equity contributions transaction and the debt in SEEK Asia has similarly been credit approved. SEEK’s cash consideration will be funded through a new syndicated bank debt facility. See below for further information.

On completion of the transaction, SEEK Asia ownership structure is expected to be as follows:

<b>Investor</b>	<b>Ownership in SEEK Asia</b>
	<b>%</b>
<b>SEEK International Investments Pty Ltd</b>	75.2%
<b>Non-controlling interest</b>	
Windfyr Pty Ltd (Newscorp)	12.1%
Tiger Global	9.2%
Macquarie Capital	3.5%
<b>Total non-controlling interest</b>	<b>24.8%</b>

The final ownerships may vary according to actual levels of debt funding accessed via SEEK Asia. Post completion of the transaction, SEEK will continue to consolidate the financial results of SEEK Asia into SEEK’s group financial statements.

## SEEK Limited

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#### 17. Events occurring after balance date continued

Based on preliminary estimates, the Group expects to recognise a fair value gain on its pre-existing ownership in JobStreet. In view of the very recent timing of the announcement, the Group are currently working on the initial accounting impacts and it is currently impractical to fully comply with the disclosure requirements of AASB 3 *Business Combinations* as a result of the following outstanding matters:

- The transaction is still subject to regulatory approval in Singapore and JobStreet shareholders' approval. Completion date is yet to be determined but estimated to be late in the financial year.
- Ongoing movements in the carrying value of SEEK's equity accounted investment in JobStreet as a consequence of recognising SEEK's share of JobStreet's profit and loss in the period to transaction completion;
- Potential impacts of ownership dilution from now until completion date;
- Working capital adjustments (if any);
- Exchange rate movement.

The Group expect to finalise the acquisition accounting within 12 months of the acquisition date and further information will be provided in the 30 June 2014 SEEK Group Annual Report.

#### Refinancing of syndicated debt facility

The Group has re-financed its syndicated debt facility, part of which will be utilised to fund its share of the JobStreet transaction. The pre-existing facility, comprising two tranches totaling A\$350m and US\$100m, will be extinguished. The new syndicated loan facility will be equivalent to A\$770m and the key features of the facility include:

- Tranche A: A\$183m (2 years)
- Tranche B: A\$282m (3 years)
- Tranche C: US\$273m (4 years)
- As per the previous facility, the structure is a revolving, unsecured, syndicated senior debt facility.

SEEK's syndicated refinancing was over-subscribed and SEEK was strongly supported by its existing members of its current banking syndicate, being NAB, HSBC, CBA, WBC, ANZ and new members of the syndicate, United Overseas Bank, Sumitomo Mitsui Banking Corporation and Bank of Tokyo-Mitsubishi UFJ.

Reflecting SEEK's business model strength and improving funding conditions there has been an improvement in the pricing from the previous debt facility. Other terms and conditions are broadly consistent with the previous debt facility.

#### USD entrusted loan facilities - Zhaopin Limited

On 13 February 2014, Zhaopin executed a new entrusted loan facility agreement with ANZ, which includes a new RMB 85m facility and extends the maturity of the facility for a further two years.

Zhaopin is currently in the process of re-financing its other entrusted loan facilities to extend the maturity periods. Re-financing is progressing well and should be completed in the next few weeks.



**SEEK Limited**  
**Directors' declaration**  
**For the half-year ended 31 December 2013**

In the directors' opinion:

- (a) the financial statements and notes set out on pages 11 to 30 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 31 December 2013 and of its performance for the half-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.

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

A handwritten signature in black ink, appearing to read 'Neil Chatfield', with a horizontal line underneath.

Neil Chatfield  
Chairman

Melbourne  
19 February 2014



## **Independent auditor's review report to the members of SEEK Limited**

### ***Report on the Half-Year Financial Report***

We have reviewed the accompanying half-year financial report of SEEK Limited, which comprises the balance sheet as at 31 December 2013, the income statement, statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, selected explanatory notes and the directors' declaration for SEEK Limited group (the consolidated entity). The consolidated entity comprises the company and the entities it controlled during that half-year.

### ***Directors' responsibility for the half-year financial report***

The directors of the company are responsible for the preparation of the half-year financial report that gives a true and fair view in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the *Corporations Act 2001* and for such internal control as the directors determine is necessary to enable the preparation of the half-year financial report that is free from material misstatement whether due to fraud or error.

### ***Auditor's responsibility***

Our responsibility is to express a conclusion on the half-year financial report based on our review. We conducted our review in accordance with Australian Auditing Standard on Review Engagements ASRE 2410 *Review of a Financial Report Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the financial report is not in accordance with the *Corporations Act 2001* including: giving a true and fair view of the consolidated entity's financial position as at 31 December 2013 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of SEEK Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half-year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### ***Independence***

In conducting our review, we have complied with the independence requirements of the *Corporations Act 2001*.




*Conclusion*

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half-year financial report of SEEK Limited is not in accordance with the *Corporations Act 2001* including:

- a) giving a true and fair view of the entity's financial position as at 31 December 2013 and of its performance for the half-year ended on that date; and
- b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*.

The logo for PriceWaterhouseCoopers, featuring a large, stylized 'P' followed by the text 'PriceWaterhouseCoopers' in a serif font.

A handwritten signature in black ink, appearing to read 'John Yeoman', positioned above the printed name and title.

John Yeoman  
Partner

Melbourne  
19 February 2014