



ASX Announcement

20 August 2014

SEEK delivers another record full year result

FY14 - FINANCIAL HIGHLIGHTS

- Record full year result with strong Revenue, EBITDA and NPAT¹ growth
- Compared to prior corresponding period (“pcp”), SEEK achieved growth across each of Revenue +22%, EBITDA +29% and NPAT¹ +27%
- H2 FY14 dividend of 16 cents which represents growth of 33% vs pcp

FY14 - BUSINESS HIGHLIGHTS

- Successful listing of Zhaopin on the NYSE
- JobStreet deal is targeted to be completed by the end of September-14 (subject to CCS outcomes). Please refer to separate ASX announcement for more detail
- Various strategic investments and over 35 new product enhancements have accelerated SEEK’s placement strategy

FY14 - GROUP REPORTED RESULTS

Reported Results	A\$m		Growth	
	FY14	FY13	\$m	%
Revenue ^(a)	756.4	620.2	136.2	22%
Reported EBITDA	308.5	239.6	68.9	29%
Reported NPAT (Post NCI)	195.6	300.1	(104.5)	(35%)
NPAT excl significant items (Post NCI) ^(b)	179.7	141.1	38.6	27%
Basic EPS excl significant items (cents)	53.0	41.8	11.2	27%
Dividends per share (cps)	30.0	22.0	8.0	36%

(a) Excludes interest income

(b) FY14 Reported NPAT (post NCI) includes Gain on THINK sale of cA\$24m, JobStreet related significant items of cA\$6.9m and SEEK Group borrowing cost write-off of A\$1.1m. FY13 Reported NPAT (post NCI) includes a fair value gain of cA\$160m relating to the acquisition of Zhaopin and the associated uplift in valuation & DWT impairment of -A\$1.3m

SEEK Limited (“SEEK”) the world’s largest online employment marketplace by market capitalisation has today reported financial results for year ended 30 June 2014. SEEK reported Revenue of A\$756.4m, EBITDA of A\$308.5m and NPAT (excluding significant items) of A\$179.7m.

SEEK CEO & Co-Founder Andrew Bassat said “We’re pleased to announce another record result with all divisions performing well in moderate economic conditions. In the last 12 months, significant progress has been made in completing complex M&A as well as the roll-out of key product initiatives

¹ Refers to NPAT excluding significant items (Post NCI)

to support the placement strategy. These activities are all central to SEEK’s evolution and long-term aspirations.”

SEEK AUSTRALIA AND NEW ZEALAND | KEY INSIGHTS

- **SEEK Australia and New Zealand achieved EBITDA of A\$143.9m (60% EBITDA margin)**
 - Clear market leadership with c22%² of placements and unprompted awareness of c70%³
 - Steady improvement in operating conditions in H2 FY14
 - Significant investment in search and matching capabilities

SEEK’s Australia and New Zealand employment business achieved Revenue of A\$241.2m and EBITDA of A\$143.9m for the 12 months to 30 June 2014.

Andrew Bassat said, “Today’s financial results demonstrate the strength of our business model. During FY14 we began to see some improvement in employment market conditions, with a steady increase in online job ad volumes. SEEK has been a primary beneficiary of this trend given its market leadership.”

SEEK is the leading online employment marketplace in an evolving competitive environment as highlighted by the following statistics:

	SEEK Australia	Nearest Competitor	Nearest Aggregator
Share of Placements	22%	2%	<1%
Unprompted brand awareness	70%	35%	6%

Andrew Bassat said, “We’ve sharpened our focus on delivering an enhanced experience for jobseekers and hirers. By better utilising technology and data analytics we are creating a more efficient online employment marketplace. The advances we are making help strengthen our domestic business and over time will be leveraged internationally.”

SEEK INTERNATIONAL | KEY INSIGHTS

- **SEEK International achieved “look-through”⁴ Revenue of A\$254.4m and EBITDA of A\$80.6m**
 - “Look-through” Revenue growth of 16% and EBITDA growth of 25% vs pcp
 - Portfolio of market leading businesses that are well positioned for strong growth
 - Listing of Zhaopin on the New York Stock Exchange

Andrew Bassat said, “SEEK International’s FY14 financial results were the culmination of prior period re-investment and strong execution of operational and strategic initiatives.”

“Zhaopin had a great year with its listing on the New York Stock Exchange and strong financial results. Zhaopin grew EBITDA by 20%⁵ vs pcp and the business continues to grow its penetration amongst jobseekers and hirers.”

“JobsDB and JobStreet both achieved robust EBITDA growth alongside good growth in operating metrics. The economic conditions across the key Asian markets have been solid and SEEK remains optimistic about the growth opportunities across Asia.”

² SEEK placements includes JobSeeker placements (100% owned by SEEK). Source: Independent research by GFK on behalf of SEEK (July-13 to June-14). Study is run monthly, reaches 4k+ Australians (pa) and conducted using an independent online research panel. Data is weighted to be nationally representative of age, gender, location, employment status and income (combination of ABS stats). Projected population figures based on c.65% workforce participation rate & labour force of c.11.9m (ABS Feb-13)

³ Source: Independent research conducted by Hall & Partners |OpenMind on behalf of SEEK (Feb 2013 to June 2014). Monthly study reaches 4k+ Australians (pa) and conducted using an independent online research panel. Uses comparable data set to GFK survey outlined above

⁴ “Look-through” Revenue and EBITDA refers to SEEK’s proportional interest in the underlying Revenue or EBITDA of its subsidiaries, Associates or Joint Ventures

⁵ Based on 100% of EBITDA in local currency (under AIFRS)

“Brasil Online achieved strong EBITDA growth of 31%⁶ vs FY13 driven by operating efficiencies and revenue growth from jobseeker and employer pays revenue streams. OCC is benefiting from strategic and operational changes relating to the pricing model transition. This has led to underlying EBITDA growth of 110%⁷ vs pcp.”

“SEEK also has exposure to fast growing but nascent market opportunities across Africa and Bangladesh. Our focus is to build market leaders that can take advantage of the sizeable growth opportunities present in these markets.”

“Overall, SEEK has market leading operations across multiple countries offering exposure to over 2.5 billion people and over 20% of global GDP. SEEK’s addressable market opportunity will continue to grow as internet and smartphone penetration increase alongside structural trends such as urbanisation of labour markets. Successful execution against our strategy across Asia, Africa and Latin America should create strong future returns for SEEK shareholders.”

Refer to Zhaopin’s Q4 FY14 and FY14 earnings presentation for further details on financial and operational performance

SEEK EDUCATION | KEY HIGHLIGHTS

- **SEEK Education achieved “look-through” Revenue of A\$240.8m and EBITDA of A\$79.2m**
 - “Look-through” Revenue growth of 36% and EBITDA growth of 71% vs pcp
 - Strong results from SEEK Learning and Swinburne Online

SEEK Education has completed another period of strong financial and operational performance.

Andrew Bassat said, “SEEK Learning continues to perform exceptionally well with underlying EBITDA growth of 56%. Swinburne Online continues to achieve rapid earnings growth with SEEK’s share of NPAT increasing to A\$6.4m, which represents growth in excess of 400% compared to the prior corresponding period.”

“SEEK Learning and Swinburne Online are both leaders in their respective fields, and are well positioned to benefit from structural trends such as acceptance of online education and the growing take-up of vocational education for working adults.”

“IDP continues to perform well with SEEK’s share of NPAT growing by 32% on FY13. Subject to market conditions, an IPO is more likely in CY15.”

DIVIDENDS AND OUTLOOK | KEY HIGHLIGHTS

- **H2 FY14 dividend of 16 cents which represents growth of 33% vs pcp**
- **FY15 Outlook**

The SEEK Board has maintained its pay-out ratio of 50% of Cash NPAT⁸ and declared a final dividend of 16 cents. The dividend will be paid on 17 October 2014 with a 19 September 2014 record date.

“In FY14, SEEK’s total dividends have increased by 36% compared to FY13. Post the GFC, SEEK’s dividends have increased by a compound average growth rate of 28%. Alongside this, SEEK has also continued to invest in exciting growth opportunities. The expectation is that this capital deployed will underpin strong growth in future dividends.”

“SEEK’s vision is to be the global leader in employment placements, matching more people with job opportunities than any other organisation in each market in which we operate. In the short to medium term the focus will be on executing against key operational and strategic initiatives to support the ultimate delivery of more placements. We are confident that achieving these objectives will lead to significant shareholder returns over the medium to long-term.”

⁶ Based on 100% of EBITDA in local currency

⁷ Based on 100% of EBITDA in local currency & adjusted for one-off items

⁸ Dividends paid out of Cash NPAT defined as: NPAT (Post NCI) (Reported) – Associates NPAT +/- Non Cash items + Associate Dividends

In terms of near term financial outlook, Andrew Bassat said, “Expect solid growth in Reported Revenue and EBITDA (FY15 v FY14)⁹ from each of organic growth and the JobStreet acquisition. Expect growth in NPAT¹⁰ to be moderately lower than Revenue and EBITDA growth (FY15 v FY14).”

For further information or to arrange an interview please contact:

Investors & Analysts

**John Armstrong / Jeff Tang
SEEK Limited
(03) 8517 4484**

Media

**Sarah Macartney
SEEK Limited
(03) 8306 0818**

This announcement contains certain “forward-looking statements”. Forward looking words such as, “expect”, “should”, “could”, “may”, “predict”, “plan”, “will”, “believe”, “forecast”, “estimate”, “target” and other similar expressions are intended to identify forward-looking statements within the meaning of securities laws of applicable jurisdictions. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Forward-looking statements, opinions and estimates provided in this announcement are based on assumptions and contingencies which are subject to change without notice, as are statements about market and industry trends, which are based on interpretations of current market conditions. Such forward-looking statements, opinions and estimates are not guarantees of future performance.

Forward-looking statements including projections, guidance on future earnings and estimates are provided as a general guide only and should not be relied upon as an indication or guarantee of future performance. This announcement contains such statements that are subject to risk factors associated with the markets in which SEEK operates. It is believed that the expectations reflected in these statements are reasonable, but they may be affected by a range of variables which could cause actual results or trends to differ materially. Such forward-looking statements only speak as to the date of this announcement and SEEK assumes no obligation to update such information.

No representation or warranty is or will be made by any legal or natural person in relation to the accuracy or completeness of all or part of this document, or the accuracy, likelihood of achievement or reasonableness of any forecasts, prospects or returns contained in, or implied by, the information or any part of it. To the full extent permitted by law, SEEK disclaims any obligation or undertaking to release any updates or revisions to the information contained in this document to reflect any change in expectations or assumptions.

Nothing contained in this document constitutes investment, legal, tax or other advice. You should make your own assessment and take independent professional advice in relation to the information and any action taken on the basis of the information.

Appendices - ASX Release

Notes to this release

SEEK’s results are reported under International Financial Reporting Standards (IFRS). This document also makes reference to the non-IFRS measure “EBITDA”. This measure is used internally by management to assess the performance of our business, our associates and Joint Ventures, make decisions on the allocation of our resources and assess operational management.

EBITDA

“EBITDA” is earnings before interest, tax, depreciation and amortisation and excluding share of net profits of associates and jointly controlled entities accounted for using the equity method, dividend income and amortisation of share-based payments and other long-term incentive schemes.

Review of information

Non-IFRS financial information is calculated based on underlying IFRS financial information extracted from SEEK’s financial statements. Non-IFRS measures have not been subject to audit or review.

⁹ Refers to Reported financials excluding significant items such as: transaction costs, non-cash gains/losses & JobStreet purchase price amortisation (in FY15). For FY14, SEEK’s Reported financials excluding significant items were Revenue of A\$756.4m, EBITDA of A\$308.5m and NPAT of A\$179.7m. Guidance assumes JobStreet transaction target completion by the end of September 14

¹⁰ FY15 NPAT likely to be impacted by year on year expense growth in several below the line items (incl. D&A, higher net interest, higher NCI)