



RESULTS PRESENTATION FOR YEAR ENDED 30 JUNE 2015

19 AUGUST 2015



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Pro forma financial information

ASH uses certain measures to manage and report on its business that are not recognised under Australian Accounting Standards. These measures are referred to as non-IFRS financial information. ASH considers that this non-IFRS financial information is important to assist in evaluating the performance of ASH. The information is presented to assist in making appropriate comparisons with prior periods and to assess the operating performance of ASH’s businesses. In particular, this information is important for comparative purposes with Pro forma historical and forecast for the year ending 30 June 2015 financial information contained in the Initial Public Offering Prospectus lodged with ASIC on 7 August 2014 (Prospectus).

All references to the Pro forma results are to be read as unaudited. This presentation has been reported in Australian currency, unless otherwise stated.

All references to “Prospectus” contained within this document refer to the ASH prospectus lodged with ASIC on 7 August 2014.



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RESULTS PRESENTATION FOR YEAR ENDED 30 JUNE 2015

FY15 RESULTS



FY15 PROFORMA RESULTS COMPARED TO THE PROSPECTUS FORECAST AND FY14 RESULTS

	Proforma Actual unaudited FY15 \$m	Proforma Prospectus FY15 \$m	Variance to Prospectus %	Proforma Actual FY14 \$m	Variance to Actual FY14 %
Revenue	305.8	319.5	(4.3%)	287.1	6.5%
EBITA	19.2	29.7	(35.4%)	21.9	(12.3%)
EBITDA	20.7	31.0	(33.2%)	22.9	(9.6%)
NPATA	13.7	20.5	(33.2%)	15.0	(8.7%)

EBITDA Actual vs prospectus

- Labour hire \$0.3m or 3.4% above prospectus
- Training \$10.2m (41.6%) below prospectus due to ASG Integracom, \$9.9m below prospectus

Actual vs last year

- Labour hire EBITDA 23% above prior year (revenue up 6% and higher margins in H1)
- ASG Training EBITDA 23% above prior year
- ASG Integracom below prior year



STATUTORY FY15 RESULTS COMPARED TO STATUTORY PROSPECTUS AND FY14 RESULTS

	Statutory Actual unaudited FY15 \$m	Statutory Prospectus FY15 \$m	Variance to Prospectus %	Statutory Actual FY14 \$m	Variance to Actual FY14 %
Revenue	304.7	316.5	(3.7%)	250.9	21.4%
EBITA	21.1	24.1	(12.5%)	14.0	50.7%
EBITDA	22.6	25.4	(11.0%)	14.0	61.4%
NPATA	14.8	16.4	(9.7%)	9.2	60.9%

- The Directors' recommend a final dividend declared of 4.1 cents /share, fully franked, in line with Prospectus and April 2015 guidance.
- The interim dividend was 2.3 cents per share was paid 27 March 2015.
- The total dividend for FY15 will be 6.4 cents/ share or \$9.6m.
- Pay out ratio of 65% of NPATA.
- A reconciliation from Proforma EBITDA to Statutory EBITDA is included as Appendix 2.



FY15 PROFORMA INCOME STATEMENT

	Actual FY15 unaudited \$m	Proforma Prospectus FY15 \$m	Variance %	Actual FY14 \$m	Variance %
Revenue by Business Channel					
Labour Hire	261.0	264.4	(1.3)	245.4	6.4
Training	44.8	55.1	(18.7)	41.7	7.4
Total Operating Revenue	305.8	319.5	(4.3)	287.1	6.5
EBITDA by Business Channel					
Labour Hire	9.0	8.7	3.4	7.3	23.3
Training	14.3	24.5	(41.6)	16.8	(14.8)
Corporate	(2.6)	(2.2)	(18.2)	(1.2)	(120.1)
Total EBITDA	20.7	31.0	(33.2)	22.9	(9.6)
Depreciation & Amortisation*	(2.1)	(2.0)	(5.0)	(1.0)	(110.0)
EBIT	18.6	29.0	(35.9)	21.9	(15.1)
Net Interest Expense	0.1	(0.7)	n/a	(0.5)	n/a
Income Tax Expense	(5.6)	(8.5)	34.1	(6.4)	12.5
NPAT	13.1	19.8	(33.8)	15.0	(12.7)
EBITA	19.2	29.7	(35.4)	21.9	(12.3)
NPATA	13.7	20.5	(33.2)	15.0	(8.7)
*includes amortisation of intangible assets acquired through Concept, Integracom and Cantillon of \$0.65M					

Variance: positive is favourable, negative is unfavourable

Revenue v prospectus

- ASG Integracom revenue \$11m below prospectus
- ASG Training in line with prospectus
- Labour hire revenue \$3.4m below prospectus
- The labour hire business was impacted by Concept - reduced business with key rail customer and lack of new business from downturn in mining sector.

EBITDA vs prospectus

- ASG Integracom EBITDA shortfall \$9.9m
- ASG Training 3.5% below prospectus - NSW funding impact
- Labour hire margin up 0.15pp to 3.45%
- Corporate costs higher than prospectus; timing of management changes and additional audit, tax and advisory fees expensed.



PROFORMA RESULT V APRIL MARKET GUIDANCE

Proforma EBITDA of \$20.7m – marginally below low end of guidance (\$21m, April 2015).

Key Variances:

Labour hire revenue and EBITDA - negatively impacted by the Sydney storms in April and May (which impacted certain client sites in Western Sydney) and reduced margins due to competitive pressures and mix.

Training revenues and EBITDA were negatively impacted by:

- i. Changes to public sector funding in SA and TAS, where enrolments in Q4 were minimal
- ii. Changes to Job Service Provider network, which disrupted Job Seeker enrolments

ASG Integracom:

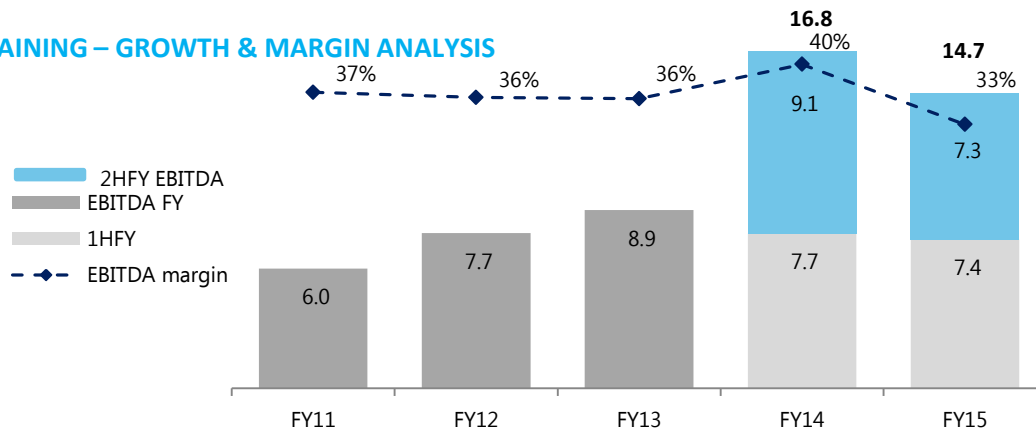
ASG Integracom revenue and EBITDA was within guidance range:

	Actual FY15 unaudited	Guidance April 2015	Proforma Prospectus FY15
Revenue \$m	11.7	11.5 – 12.5	22.8
EBITDA \$m	3.4	3.0 – 4.0	13.3
Enrolments Q4	1,670	1,898	1,353



TRAINING BUSINESS

TRAINING – GROWTH & MARGIN ANALYSIS



	FY11	FY12	FY13	FY14	FY15
Revenue	\$16.2m	\$21.3m	\$24.6m	\$41.7m	\$44.8m
Enrolments ¹	7,064	9,276	12,103	19,802	21,621
Average revenue per enrolment *	\$2,291	\$2,301	\$2,036	\$2,106	\$2,107

Key Points

- Enrolments 6.5% below prospectus of 23,115
- NSW 2,210 enrolments below prospectus (H2)
- Changes to Job Service Providers, Q4
- ASG Integracom margin below Prospectus and prior year
- ASG Training margins in line with prior year

ENROLMENT METRICS

	1H FY14	2H FY14	1H FY15	2H FY15	FY14	FY15
Revenue	\$19.8m	\$21.9m	\$22.3m	\$22.5m	\$41.7m	\$44.8m
Enrolments	9,672	10,129	10,852	10,769	19,802	21,621

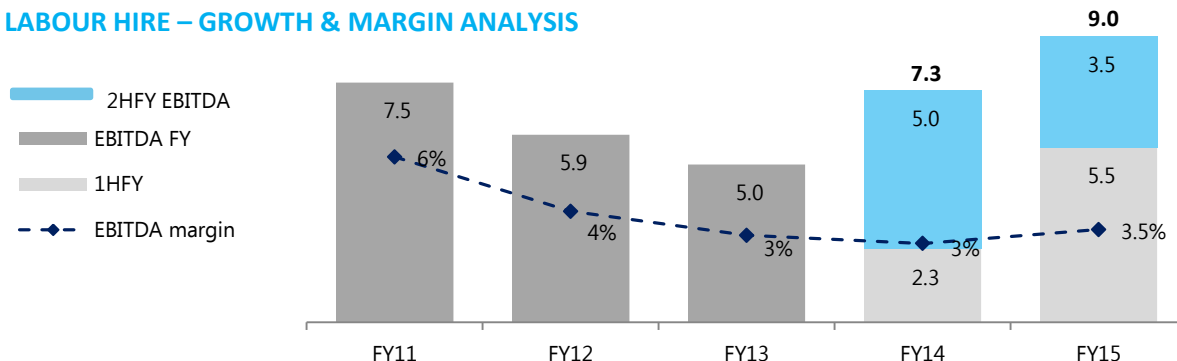
* Revenue divided by enrolments

1. Including individuals who enrolled but did not commence training



LABOUR HIRE BUSINESS

LABOUR HIRE – GROWTH & MARGIN ANALYSIS



	FY11	FY12	FY13	FY14	FY15
Revenue	\$120.8m	\$141.1m	\$151.4m	\$245.4m	\$261.0m
Labour hours charged (millions)	2.8	3.4	3.6	6.0	6.4
Average hourly charge rate	\$43	\$42	\$42	\$41	\$40

HALF YEAR PERFORMANCE

	1H FY14	2H FY14	1H FY15	2H FY15	FY14	FY15
Revenue	\$125.6m	\$119.8m	\$135.3m	\$125.7m	\$245.4m	\$261.0m
Labour hours charged (millions)	3.3	2.7	3.4	3.0	6.0	6.4

Key Points

- Result strong versus prior year
- Revenue \$15.6m (6.4%) above prior year (full year impact of 3 major national logistics contracts, secured in calendar 14)
- Labour hire business challenging in H2. Key customer contracts were retained, but margins came under pressure



FY15 CASH FLOWS

	Statutory Actual FY15 (unaudited) \$m
EBITDA	22.6
Changes in Working Capital	(3.9)
Net Interest Received/Paid	0.1
Income Tax Paid	(7.4)
Non cash IPO costs	0.9
Deferred consideration adjustment – non-cash	(7.8)
Other	(0.0)
Operating cash flow before capex*	4.5
Net payments for Property, Plant & Equipment	(1.4)
Payments for Intellectual Property	(1.8)
Operating cash flows after capex (excluding acquisitions)	1.3
*Operating cash flows before capex (excluding IPO and acquisition cost outflows)	8.1

Key Points

- Much stronger operating cash flow for H2
- Seasonality in labour hire, but also improved working capital management
- Statutory EBITDA includes a net \$6.9m of non-cash deferred consideration and IPO cost adjustments
- Statutory operating cash flow before capex includes \$3.6M of cash outflows for IPO and acquisition related costs

OCF before capex	H1	H2	FY15
EBITDA \$m	7.3	15.3	22.6
OCF before capex (\$m)	(12.3)	16.8	4.5



FY15 ACTUAL STATEMENT OF FINANCIAL POSITION

	Actual 30 June 15 (unaudited) \$m	Actual 31 Dec 14 \$m	Pro forma Actual As at 30 Jun 14 \$m
Cash and Cash Equivalents	12.6	9.3	1.2
Trade & Other Receivables	37.7	44.8	30.1
Property, Plant & Equipment	5.2	4.8	2.9
Deferred Tax Assets & IT Receivable	5.8	6.8	4.7
Intangible Assets	76.2	72.1	21.5
Other Assets	0.8	1.4	5.3
Total Assets	138.4	139.2	65.7
Trade & Other Payables	22.3	19.0	18.7
Borrowings	0.2	6.7	9.0
Deferred earn out	4.6	9.6	0.2
Current Tax Liabilities	0.0	0.0	2.6
Deferred Tax Liabilities	5.5	4.3	2.2
Provisions	2.8	2.4	2.0
Total Liabilities	35.5	42.0	34.7
Net Assets	102.9	97.2	31.0

Working capital (trade and other receivables less trade and other payables)

- Decrease from Dec 14 of \$10m – mainly seasonality within labour hire
- Increase from prior year – mainly training WIP – shift in payments towards completion (corporate market, state by state variation)

Net cash

- Borrowings of \$0.2m – finance leases
- Net cash at 30 June 2015 is \$12.4m
- \$23 m of undrawn banking facilities with Bankwest, which provides liquidity for the Company

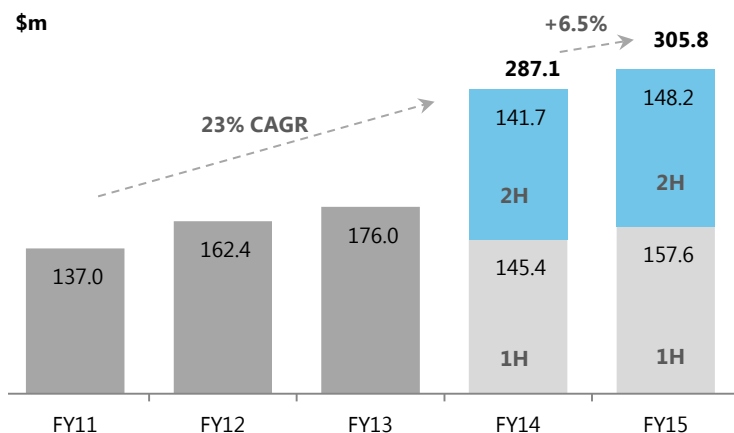
Intangible Assets, Deferred Earn Outs

- Intangible increase from Dec 14 – mainly SILK acquisition
- Decrease in deferred earn out from 31 Dec 2014:
 - Integracom/Concept reductions (\$7.6m)
 - SILK acquisition +\$2.7m

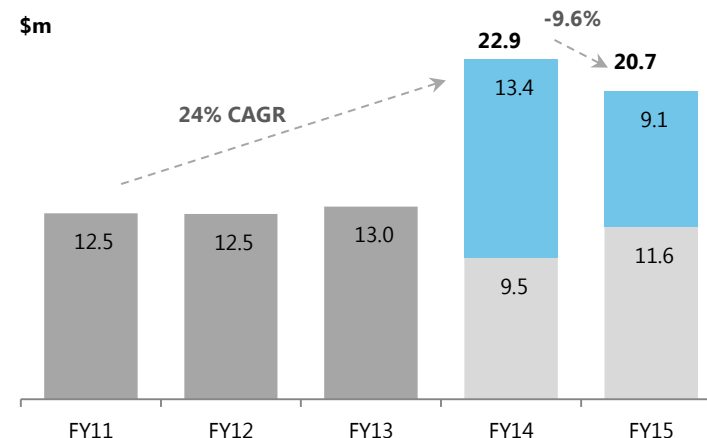


HISTORICAL RESULTS

Strong revenue growth



FY15 EBITDA negatively impacted by Integramcom



	Pro forma Actual 1H FY14	Pro forma Actual 2H FY14	Pro forma Actual FY14	Pro forma Actual 1H FY15	Proforma Actual 2H FY15	Pro forma FY15 (unaudited)	1HFY14 to 1HFY15 growth	2HFY14 to 2HFY15 growth	FY14 to FY15 growth
Revenue	145.4	141.7	287.1	157.6	148.2	305.8	8.4%	4.6%	6.5%
EBITA	9.2	12.7	21.9	10.9	8.7	19.6	18.6%	(31.5%)	(10.5%)
EBITDA	9.5	13.4	22.9	11.6	9.1	20.7	22.0%	(32.1%)	(9.6%)



FY15 RESULTS PRESENTATION

FY16 OUTLOOK



FY16 OUTLOOK STATEMENT

CURRENTLY EXPECT FY16 NET PROFIT AFTER TAX BEFORE AMORTISATION OF ACQUIRED INTANGIBLES (NPATA) IN LINE WITH PROFORMA FY15.

THE FOCUS IS TO DIVERSIFY TRAINING REVENUES – BOTH FUNDING SOURCES AND MARKETS

Potential growth opportunities for FY16

- Increased focus on the Corporate training market (existing worker), particularly in the telecommunications, hospitality and child care industries which are higher value courses
- Continued high performance of the SILK business
- VET FEE-HELP – new source of funding available to ASH for various courses primarily in diploma and advanced diploma qualifications
- NSW state funding – a review of the NSW Smart and Skilled funding program is currently underway. Any reallocation of funding to those private providers with experience and infrastructure in NSW could benefit ASH training business
- Potential new contract wins in the labour hire business

Potential offsets to growth :

- Increased costs from investments in sales staff, marketing, property and system improvements
- Timing for full resolution of disruption through the new Job Ready Programme (replacement for Job Services Australia)
- Lower public market job seeker enrolments in SA and TAS due to changes in state funding practises
- Potential for margin pressure in the labour hire business

Profit will be skewed to H2, because training growth initiatives gain full traction in H2.

Other matters:

- IMF announcement



FY15 RESULTS PRESENTATION

KEY PERFORMANCE INDICATORS



BUSINESS OPERATIONS

ASHLEY SERVICES HAS A NATIONAL FOOTPRINT WITH STRATEGICALLY LOCATED OFFICES AND TRAINING CENTRES IN EACH STATE AND TERRITORY TO SERVICE THE DEMANDS IN EACH REGION



Offices	45
Additional Training locations	82
Staff	434
Trainers	149
Qualifications & Courses	113
Enrolments	21,621
Weekly Labour Hire workers	~4,000
Labour Hire hours	6.4 million

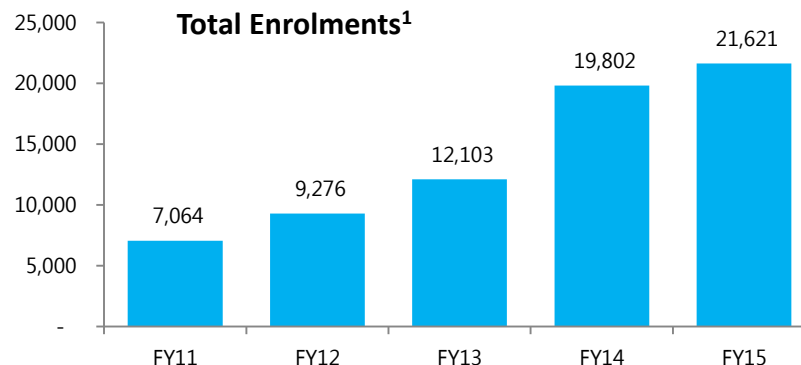


ASHLEY SERVICES' TRAINING BUSINESS

ASHLEY SERVICES' TRAINING BUSINESS IS ONE OF AUSTRALIA'S LARGEST INDEPENDENT VET PROVIDERS

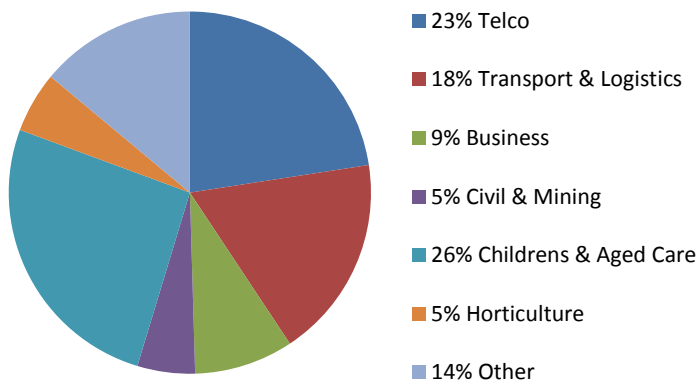
Overview

- Ability to deliver training nationally through 45 training offices and an additional 82 training locations
- Hold 15 state funding contracts and can deliver the majority of its qualifications nationally
- An approved NBN supplier
- 21,621 new enrolments¹ in FY15
- Enrolments grew substantially from FY11 to FY15 with a CAGR of 32%
- Average fee income relatively stable in FY15 at \$2,107 per enrolment

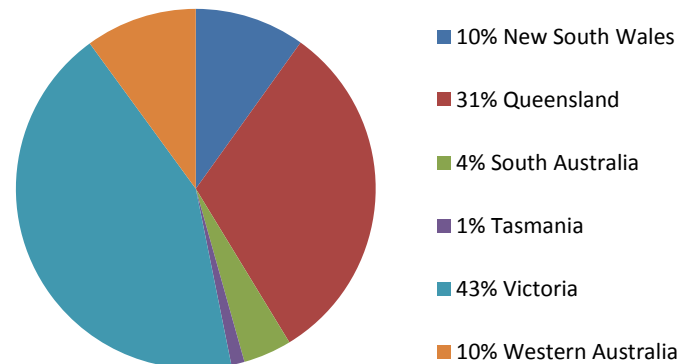


Revenue \$m	FY11	FY12	FY13	FY14	FY15
	16.2	21.3	24.6	41.7	44.8

Enrolments¹ by Industry FY15



Enrolments¹ by State FY15



1. Including individuals who enrolled but did not commence training



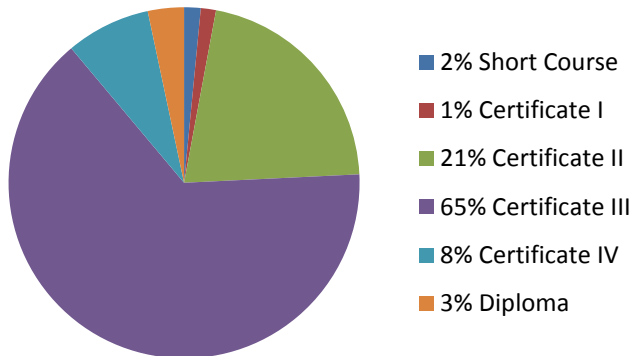
VET QUALIFICATIONS

ASHLEY SERVICES' TRAINING OFFERS A BROAD RANGE OF QUALIFICATIONS AND IS FOCUSED ON THE DESIGN AND DEVELOPMENT OF HIGH QUALITY TRAINING SOLUTIONS

Qualification scope and offering

- Comprehensive and diverse VET offering: 106 nationally accredited qualifications and 7 accredited courses covering 23 industries;
- Key scope changes for 2015 included addition of Building and Construction and higher level Hospitality courses;
- In-house curriculum development capabilities allow Ashley Services to bring new courses to market quickly to capitalise on market opportunities;
- Highly experienced trainers, recruited through Blackadder, typically sourced from within industry; and
- Courses offered across multiple industries, with four key industries being transport and logistics, telecommunications, hospitality and children's services.

Enrolment by Qualification FY15



Training courses scope summary

	Industry Group	2013	2014	2015
1	Aged Care / Health services assist			
2	Asset Maintenance			
3	Marketing and Human Resources			
4	Business*			
5	Customer contact			
6	Civil Construction			
7	Mining/Quarrying			
8	Childcare			
9	Training and Assessment			
10	Transport & Logistics			
11	Hospitality			
12	Manufacturing systems			
13	Retail Operations			
14	Engineering Production Systems			
15	Disabilities			
16	Food Processing			
17	Telecommunications / NBN*			
18	Commercial cookery / Bakery			
19	Horticulture			
20	Meat retailing / Small goods manufacture			
21	Construction / Scaffolding			
22	Building and Construction			
23	Hairdressing			
	Total Qualifications on Scope	80	97	106
24	Total Accredited Courses (English courses)	5	8	7
	Total Qualifications and Courses	85	105	113

* = Qualifications offered in this field



ASHLEY SERVICES' LABOUR HIRE BUSINESS

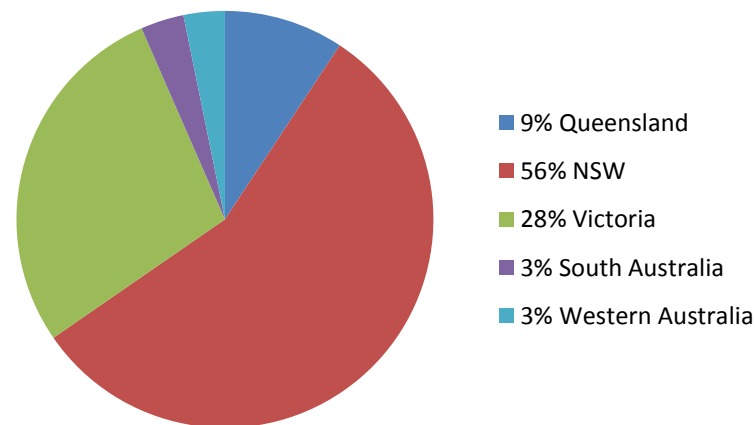
ASHLEY SERVICES' LABOUR HIRE BUSINESS IS A SPECIALIST AUSTRALIAN LABOUR HIRE BUSINESS

- ✓ **Established relationships**
- ✓ **National coverage and scale**
- ✓ **Integrated service offering**
- ✓ **Availability**
- ✓ **Customised solutions**
- ✓ **Quality assurance**
- ✓ **Industrial relations**
- ✓ **Specialist advice**
- ✓ **Competitive pricing model**

Overview

- Established, specialist labour hire business founded in 1968
- Currently employs ~4,000 workers on a weekly basis, totalling 6.4 million hours for FY15 (3.4m in 1HFY15)
- National capability of supply from a network of 45 offices throughout Australia

Labour Hire revenue by state FY15





ASHLEY SERVICES' CLIENTS

LABOUR HIRE HAS ESTABLISHED AND LONG TENURE RELATIONSHIPS WITH HIGH QUALITY CLIENTS

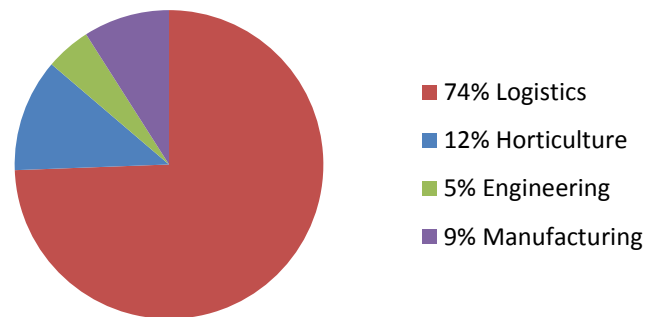
Clients

- Diversified client base;
- Strong presence in the warehouse, logistics, fast-moving consumer goods, food, pharmaceutical and manufacturing and trade industries;
- Supply to clients nationally, with capability to cater for large national clients; and
- Strategy of supplying labour to high quality businesses with low WH&S risk and safe working environments.

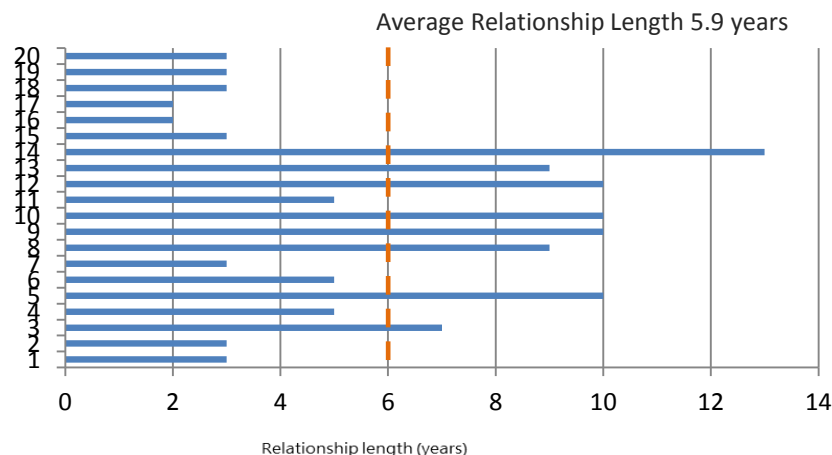
Strength of relationships

- Strong, long tenure relationships with an average relationship length of 5.9 years with top 20 clients;
- Established relationships attributed to depth of candidate database, quality and availability of candidates, sound customer service/processes and competitive pricing models; and
- Focus on quality service results in expansion of existing contracts and referrals.

Revenue by Industry



Relationship Length with Top 20 Clients





FY15 RESULTS PRESENTATION

APPENDIX



APPENDIX 1: FY15 STATUTORY INCOME STATEMENT

	Statutory Actual FY15 (unaudited) \$m	Statutory Prospectus FY15 \$m	Variance %	Statutory Actual FY14 \$m	Variance %
Revenue by Business Channel					
Labour Hire	261.0	264.4	(1.3)	223.8	16.6
Training	43.7	52.1	(16.2)	27.1	61.3
Total Operating Revenue	304.7	316.5	(3.7)	250.9	21.4
EBITDA by Business Channel					
Labour Hire	9.4	8.7	+8.0	6.5	44.6
Training	19.5	22.7	(14.1)	8.8	121.6
Corporate	(2.6)	(2.1)	(23.8)	(1.3)	(100.0)
IPO Costs (including bonuses)	(3.7)	(3.9)	5.1	-	n/a
Total EBITDA	22.6	25.4	(11.0)	14.0	61.4
Depreciation & Amortisation*	(2.6)	(1.9)	(36.8)	(0.8)	(225.0)
EBIT	20.0	23.5	(14.9)	13.2	51.5
Net Interest Expense	(0.4)	(1.0)	+60.0	(0.2)	(100.0)
Income Tax Expense	(5.9)	(6.7)	+11.9	(3.9)	(51.2)
NPAT	13.7	15.8	(13.3)	9.1	50.5
EBITA	21.1	24.1	(12.4)	14.0	50.7
NPATA	14.8	16.4	(9.7)	9.2	60.8

Revenue

Up \$53.8m (21%) due to:

1. Acquisitions (+\$27.7m)
2. Organic growth in labour hire (+\$21m)
3. Organic growth in training business (+\$5m)

Earnings (EBIT)

Up \$6.8m (52%) due to:

1. Acquisitions (+\$3m)
2. Re-assessment of fair value of deferred consideration, intangible and other asset valuations (+\$6.3m)
3. Net incremental margin from organic growth (+\$3.1m)

Partially offset by:

1. One off IPO and acquisition related costs and increased Corporate costs (-\$5.6m)

*includes amortisation of intangible assets acquired through Concept, Integracom and Cantillon of \$1.1M



APPENDIX 2: RECONCILIATION FROM STATUTORY TO PRO FORMA INCOME STATEMENT

Reconciliation from statutory EBITDA to Pro forma EBITDA

\$m	Note	FY15 unaudited	Prospectus
Pro forma EBITDA		20.7	31.0
Pre-acquisition EBITDA for Integracom		(0.2)	(1.8)
One off IPO Employee Bonuses		(1.9)	(1.9)
One off IPO and acquisition related costs taken to income statements	1	(2.5)	(2.0)
Re-assessment of fair value of deferred consideration	2	7.8	-
Other asset impairment	3	(0.9)	-
EBITDA impact of Cantillon acquisition		(0.8)	-
EBITDA impact of SILK acquisition		0.4	-
Statutory EBITDA		22.6	25.4

Note 1

GST on float costs and increased acquisition costs for Integracom and for SILK

Note 2

Concept earn outs for FY15 and FY16 re-assessed from \$0.4m to zero. Integracom earn outs for FY16 and FY17 re-assessed from \$9.1m discounted to \$1.75m discounted

Note 3

Other asset impairment relates to the re-assessment of the carrying value of work in progress in one state's training division, which is considered to be impaired due to contractual requirements in terms of the timing for invoicing

Also included in Statutory result only:

As interest expense – notional accretion on deferred earn outs, \$0.6m

As amortisation – impairment of key customer relationship within Concept, \$0.5m