



ASX Announcement

19 August 2015

SEEK achieves record results alongside significant re-investment

FY15 – Key Highlights

- Record full year result with strong Revenue & EBITDA growth
- Strong cash flows led to total FY15 dividend growth of 20% vs pcp
- Strong results from re-investment in product and technology
- Zhaopin and SEEK Asia are clear market leaders respectively across China and in key markets across South East Asia

FY15 – Financial Results (Continuing Operations)

	A\$m		Growth	
	FY15	FY14	\$m	%
Revenue ^{(a)(b)}	858.4	713.3	145.1	20%
EBITDA ^{(a)(b)}	348.9	303.9	45.0	15%
NPAT excl significant items (Post NCI) ^(c)	189.8	178.9	10.9	6%
Dividends per share (cps)	36.0	30.0	6.0	20%

(a) FY14 has been restated to exclude the contribution from THINK which was divested in Nov-13

(b) Excludes interest income

(c) Reported NPAT (Post NCI) for FY15 & FY14 include a number of one-off non-cash accounting items – refer to slide 51 of SEEK's FY15 Investor Relations Presentation. NPAT excluding significant items (Post NCI) removes the impact of these one-off non-cash accounting items and excludes the impact of JobStreet's Purchase Price Amortisation

SEEK Limited (“SEEK”) reported record financial results for the 12 months ended 30 June 2015 and is pleased to announce the following results:

- Revenue of A\$858.4m
- EBITDA of A\$348.9m
- NPAT excluding significant items (Post NCI) of A\$189.8m

SEEK CEO and Co-Founder Andrew Bassat said, “SEEK has achieved record full year results while significantly re-investing across the Group. Key FY15 highlights include: successful integration of JobsDB and JobStreet, Zhaopin establishing itself as the market leader in China, strong revenue result from our SEEK Australia and New Zealand online employment businesses and the successful launch of Premium Talent Search.”

SEEK AUSTRALIA AND NEW ZEALAND | KEY INSIGHTS

- **Strong rev. growth of 14% (Rev. of A\$273.2m, EBITDA of A\$154.2m)**
 - Clear market leadership with 32%¹ of placements a lead of 10x over its nearest competitor
 - Strong operational results from re-investment in product and technology

Andrew Bassat said, “We are very pleased with revenue growth of 14% achieved despite subdued macro conditions. The record revenue result can be attributed to SEEK’s strong market position and re-investment in product and technology which is delivering strong outcomes for hirers and jobseekers.”

“Our significant re-investment in product and technology has delivered over 35+ product and service enhancements in the last 12 months and has strengthened our platform.” This is highlighted by the following statistics:

	FY12	FY15	CAGR
Total Visits (m)	19.2	35+	22%
Mobile Visits (m)	6.5	20.8	47%
Mobile apps (m)	0.6	5.8	113%
CV profiles (m)	1.4	6.1	63%

Andrew Bassat also noted, “SEEK’s strategy is validated by its strong revenue result and clear market leadership where SEEK has a 10x lead in terms of placements over its nearest competitor.”

SEEK INTERNATIONAL | KEY INSIGHTS

- **SEEK International achieved “look-through”² Rev of A\$333.1m and EBITDA of A\$108.0m**
 - “Look-through” Revenue growth of 31% and EBITDA growth of 34% vs pcp
 - Track record of growth from market leading businesses operating in high growth markets
 - Strong growth in financial results and key operating metrics

Andrew Bassat said, “SEEK International delivered another record full year result. We are very excited about the prospects for SEEK International and we remain focused on re-investing to capture long-term structural and macro growth opportunities. SEEK International already generates strong free cash flows despite the early stage nature of the portfolio.”

“Zhaopin continues to deliver great operational and financial results. It is the market leader in China across both jobseekers and number of unique customers. We expect Zhaopin to continue to invest to strengthen its market leadership and expand its presence across core online employment and adjacent career related services.”

Refer to Zhaopin’s Q4 FY15 earnings presentation (NYSE) for further details on its financial and operational performance.

In November 2014, SEEK Asia completed the transaction to acquire 100% of the online employment businesses³ of JobStreet Corporation Berhad (“JobStreet”) which has been integrated with SEEK Asia’s existing business JobsDB. Mr Bassat commented, “We have successfully integrated two strong businesses which has resulted in the merger benefits ahead of SEEK’s expectations. We are pleased to re-affirm guidance that the transaction will be strong accretive on a cash basis in FY16 and beyond.”

¹ Independent research by GFK on behalf of SEEK (Jan 2015). Nationally representative sample of n=3081 Australians in the labour force aged 18-65 years that changed / started jobs in a different company in the last 12 months

² “Look-through” Revenue and EBITDA refers to SEEK’s proportional interest in the underlying Revenue or EBITDA of its subsidiaries, Associates or Joint Ventures

³ The online employment businesses included in this transaction are Malaysia, Singapore, Indonesia, Philippines and Vietnam.

This transaction does not include JobStreet.com’s operations in Thailand, India, Japan and Autoworld, or the JobStreet.com Berhad listed company

SEEK owns market leaders in Brazil and Mexico that are achieving robust financial results whilst evolving their product and service offerings. SEEK is also investing in early stage investments that operate in large markets across Africa, India and Bangladesh. These businesses are achieving rapid growth in key operating metrics.

Andrew Bassat said, *“SEEK has market leading operations across multiple countries offering exposure to over 4.0 billion people and c28% of global GDP. Our expectation is that SEEK’s businesses across Asia, Africa and Latin America will generate strong returns for shareholders over the medium to long term.”*

SEEK EDUCATION | KEY HIGHLIGHTS

- **SEEK Education achieved “look-through” Revenue of A\$275.5m and EBITDA of A\$72.9m**
 - Strong results from Swinburne Online and IDP and both businesses have exciting growth prospects

SEEK Education performed creditably despite some challenges in SEEK Learning. Andrew Bassat said, *“Across SEEK Education, we had strong results in Swinburne Online and IDP partially offset by some issues in SEEK Learning. We remain committed and confident in the future of SEEK Learning. The business has unique advantages given its strong reputation in the industry and its ability to grow synergies with SEEK Domestic”*

Mr Bassat commented, *“Swinburne Online continues to achieve strong results. This is a very exciting business that has multiple growth options across VET, Higher Education and international expansion.”*

“IDP continues to perform well and its strong balance sheet led to a large dividend payment to SEEK. Subject to market conditions, we currently expect an IPO to occur in H2 CY15.”

DIVIDENDS AND OUTLOOK | KEY HIGHLIGHTS

- **Total FY15 dividends of 36 cents, represents growth of 20% vs pcg**

The Board has declared a final dividend payment of 17 cents per share which represents growth of 6% compared to the prior year final dividend. The dividend will be paid on 16 October with a record date of 18 September.

Andrew Bassat commented, *“SEEK is uniquely positioned to capture large market opportunities across the human capital management industry. The combination of SEEK’s strong market position in high growth markets and the rich data we capture across jobseekers, hirers and students means we are uniquely positioned to develop new products & services that deliver significant value.”*

“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 term, our focus is to invest in exciting growth opportunities and execute on our strategic plans across our employment and education businesses. In the medium to long term, we expect the re-investment to deliver strong returns to shareholders.”

SEEK’s near term financial outlook is as follows:

Across the SEEK Group³

- Reported Revenue⁴ growth for FY16 v FY15 is expected to be in the range of 15% to 18%
- Reported EBITDA⁵ growth for FY16 v FY15 is expected to be in the range of 5% to 8%
- Underlying FY16 NPAT⁶ (excluding negative impact of early stage losses) is expected to be approximately A\$200m

³ Assumes USD:AUD exchange rate of 74 cents. Note, a 10% decline in AUD is likely to contribute incremental c3% to SEEK Group NPAT. Refer to slide 43 of SEEK’s FY15 Investor Relations Presentation for further assumptions that underpin SEEK’s near term financial outlook

⁴ FY15 Reported Revenue A\$858.4m

⁵ FY15 Reported EBITDA A\$348.9m

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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.

⁶ Underlying FY16 NPAT assumes 12 month contribution from IDP and excludes impact of FY16 JobStreet PPA. FY15 NPAT (excl. significant items & JobStreet PPA) = A\$189.8m. If FY15 Early Stage NPAT loss of A\$6m is also excluded, this implies Underlying FY15 NPAT of A\$196m (A\$189.8m + A\$6m)