

Preliminary results 2010

31 March 2011

Miles Hunt – Chief Executive

Spencer Wreford – Finance Director

CAUTIONARY STATEMENT

The information contained in this presentation is not audited, is for personal use and informational purposes only and is not intended for distribution to, or use by, any person or entity in any jurisdiction in any country where such distribution or use would be contrary to law or regulation, or which would subject any member of the Empresaria Group to any registration requirement.

Statements in this presentation reflect the knowledge and information available at the time of its preparation. Certain statements included or incorporated by reference within this presentation may constitute “forward-looking statements” in respect of the Group’s operations, performance, prospects and/or financial condition. By their nature, forward-looking statements involve a number of risks, uncertainties and assumptions and actual results or events may differ materially from those expressed or implied by those statements. Accordingly, no assurance can be given that any particular expectation will be met and reliance should not be placed on any forward-looking statement. Additionally, forward-looking statements regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. No responsibility or obligation is accepted to update or revise any forward-looking statement resulting from new information, future events or otherwise. Nothing in this presentation should be construed as a profit forecast.

This presentation does not constitute or form part of any offer or invitation to sell, or any solicitation of any offer to purchase any shares in the Company, nor shall it or any part of it or the fact of its distribution form the basis of, or be relied on in connection with, any contract or commitment or investment decision relating thereto, nor does it constitute a recommendation regarding the shares of the Company. Past performance cannot be relied upon as a guide to future performance. Liability arising from anything in this presentation shall be governed by English Law. Nothing in this presentation shall exclude any liability under applicable laws that cannot be excluded in accordance with such laws.

Trading highlights

- Revenue growth of 17%
- Net fee income growth of 21%
- Adjusted PBT up 94% to £6.8m
- Growth across all reporting regions
- Strong cash generation of £8.3m
- Reduction in net debt to £6.1m
- Increasing materiality of profit contribution from Asian companies
- Investment in new capabilities, people and locations

Strategy and Structure

- Developing a leading international specialist staffing group
- Balanced growth and managed risk
- Diversified portfolio by geography and sector
- Investment emphasis on developing staffing markets and emerging economies
- Focus on more stable temporary staffing revenues
- Multi brand rather than single brand
- Decentralised structure and management equity philosophy

Financial highlights

	2010	2009	% change
	£'m	£'m	
<u>Financial highlights</u>			
Revenue	223.4	190.5	17%
Gross profit	49.0	40.6	21%
Adjusted operating profit *	7.8	4.3	81%
Adjusted profit before tax *	6.8	3.5	94%
Adjusted earnings per share *#	6.2p	3.1p	100%
Net debt	(6.1)	(8.0)	

* Adjusted to exclude amortisation of intangible assets, exceptional items and fair value movements in put and call options

Adjusted earnings per share is for continuing and discontinued operations

Income statement – Year to 31 December 2010

Income statement

£m	<u>2010</u>	<u>2009</u>	<u>Change</u>
Revenue	223.4	190.5	17%
Net fee Income/ Gross profit	49.0	40.6	21%
Overheads	<u>(41.2)</u>	<u>(36.3)</u>	13%
Adjusted operating profit*	7.8	4.3	81%
Interest	<u>(1.0)</u>	<u>(0.8)</u>	
Adjusted profit before tax*	6.8	3.5	94%
Movements in put and call options	0.2	0.3	
Exceptional items and amortisation	(0.3)	(5.3)	
Tax	(2.3)	(0.8)	
Profit/(loss) from discontinued operations	0.2	(1.6)	
Profit/(loss) for the period	<u><u>4.6</u></u>	<u><u>(3.9)</u></u>	
Adjusted EPS* (p)	6.2	3.1	
IFRS EPS (p)	7.0	(11.6)	

Revenue increased by 17%, with a 15% increase in temporary sales and 58% in permanent sales. There was minimal currency impact (like-for-like revenues were 14% higher)

Net Fee Income was higher due to the increase in both permanent and temporary sales, with the temporary margin in line with 2009. (On a constant currency basis, like-for-like increase is 20% over prior year)

Overheads controlled – most of increase in variable staff related costs. Conversion ratio improved from 11% in 2009 to 16% in 2010.

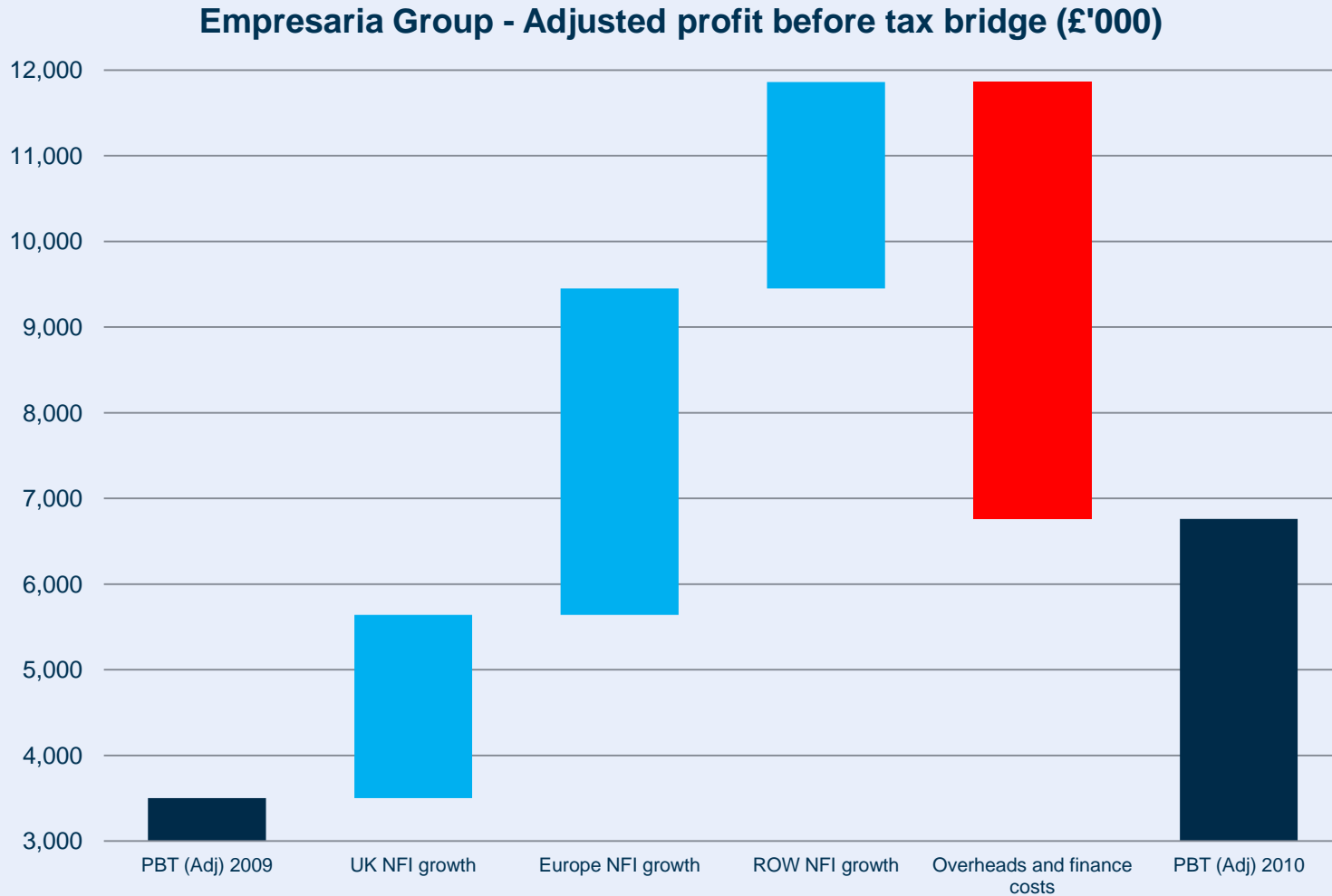
No exceptional costs in 2010

Tax rate of 34% in 2010

In April 2010 EAR (Netherlands) was sold

* Adjusted results are before exceptional items, amortisation of intangible assets and fair value movements in put and call options

Income statement – Profit bridge



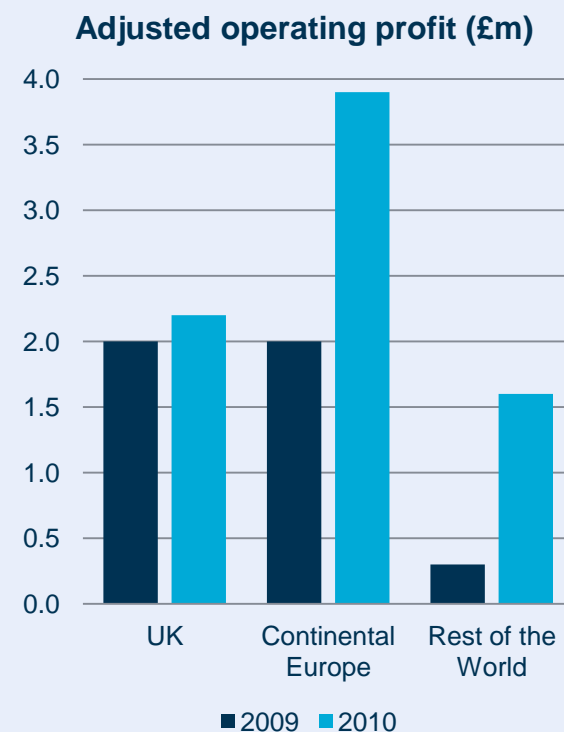
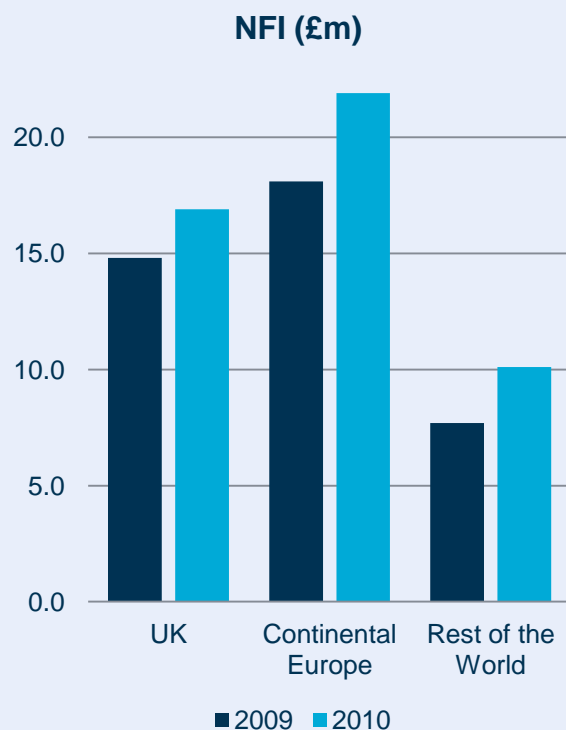
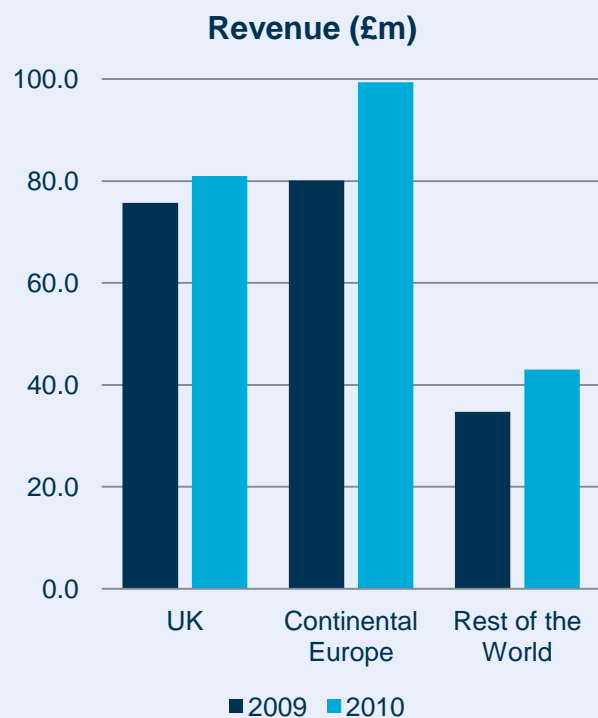
Balance sheet – December 2010

£m	<u>2010</u>	<u>2009</u>	
Property, plant & equipment	1.9	2.0	
Goodwill and intangibles	28.9	29.2	
Deferred tax asset	1.0	0.5	
Call option asset	<u>0.9</u>	<u>0.5</u>	
	32.7	32.2	
Trade and other receivables	31.0	28.5	Average debtor days 52 (2009: 53) with debtor book increasing through improved trading
Cash and bank balance	<u>7.1</u>	<u>4.9</u>	
	38.1	33.4	
Trade and other payables	(25.0)	(22.5)	
Current tax liability	(1.8)	(1.8)	
Short-term borrowings	<u>(12.7)</u>	<u>(4.3)</u>	Net debt of £6.1m at end of year, down from £8.0m at end of 2009
Put option liability	<u>(1.0)</u>	<u>(0.9)</u>	
	(40.5)	(29.5)	
Long-term borrowings	<u>(0.5)</u>	(8.6)	
Deferred tax liabilities	<u>(0.6)</u>	<u>(0.6)</u>	
	(1.1)	(9.2)	
Net assets	<u>29.2</u>	<u>26.9</u>	
Equity attributable to equity holders of parent	(25.6)	(24.2)	
Non-controlling interests	(3.6)	(2.7)	
Total equity	<u>(29.2)</u>	<u>(26.9)</u>	

Cash flow – Year to December 2010

Cash flow statement £m	<u>2010</u>	
Profit for the period	4.6	
Depreciation and amortisation	1.1	
Tax and interest added back	3.1	
Profit on disposal of subsidiary	(0.3)	
Working capital	(0.2)	
Cash generated from operations	8.3	Cash generated from operations was £8.3m
Tax, interest & capex	(3.9)	
Dividends to non-controlling interests	(0.9)	
Dividends to shareholders	(0.2)	
Investments and disposals	(2.3)	Includes £1.9m on the acquisition of minority shares in subsidiaries (including FastTrack), £0.2m on revenue share payments on a business in the UK and the disposal of EAR
Cash inflow from loans and borrowings	1.0	
Increase in cash in the period	2.0	
Foreign exchange	0.2	
Net increase in borrowings	(0.3)	
Net debt at 31 December 2009	(8.0)	Net debt reduced by £1.9m over the period
Net debt at 31 December 2010	(6.1)	

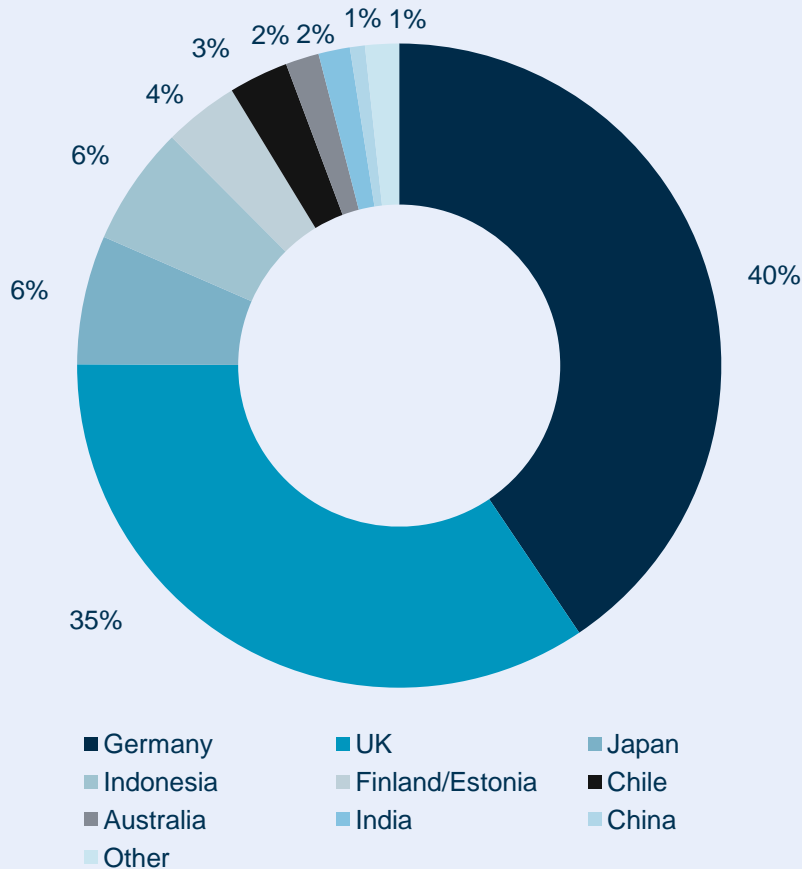
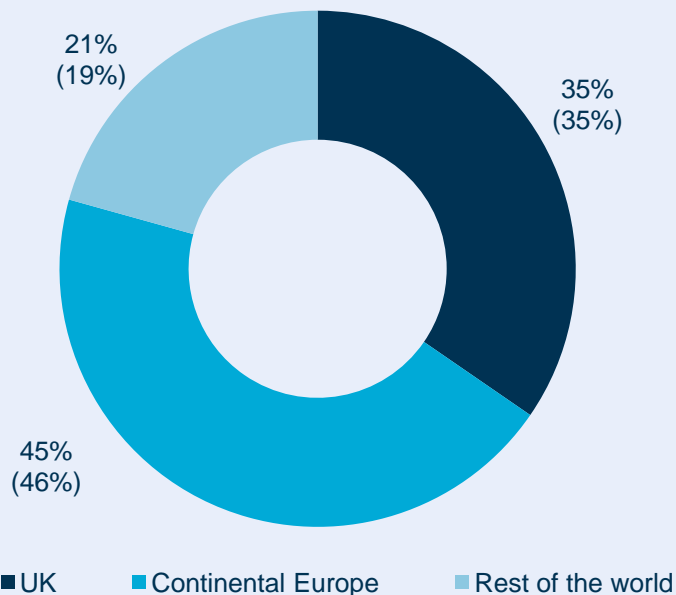
Regional review - Overview



£m	<u>Revenue</u>		<u>NFI</u>		<u>Adj Operating profit</u>	
	2010	2009	2010	2009	2010	2009
UK	81.0	75.7	17.0	14.8	2.2	2.0
Continental Europe	99.4	80.1	21.9	18.1	3.9	2.0
Rest of the World	43.0	34.7	10.1	7.7	1.6	0.3
Total	223.4	190.5	49.0	40.6	7.8	4.3

Regional split

2010 (2009) Net Fee Income by region



Outlook

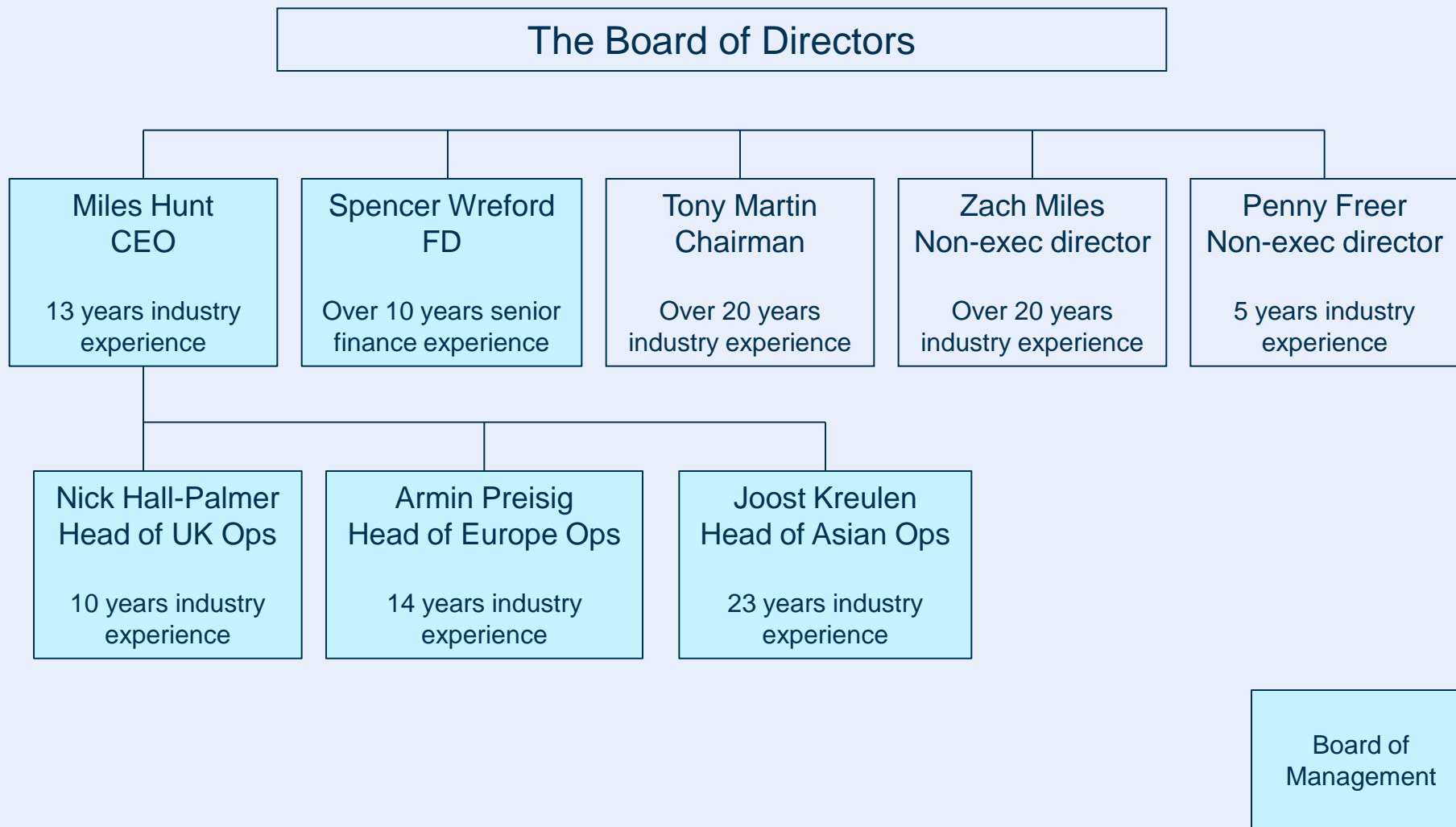
- All regions experiencing broadly positive market conditions
- Short term outlook subject to some uncertainty
 - German Federal Labour Court ruling on validity of collective bargaining arrangements
 - Japanese earthquake
- Group is well positioned to benefit from its exposure to growing markets

Empresaria Group plc

International Specialist Temporary & Permanent Staffing Group

Appendices

Management team



Directors

Tony Martin (Chairman)

Tony served as Chairman and CEO of Select Appointments (Holdings) Limited from 1992 to 1999 when he became Vice Chairman and member of the Board of Management of Vedior NV, the world's third largest staffing services group. In August 2000 he assumed the role of Chairman and CEO, which he served until his retirement in February 2004. Tony held the position of Executive Chairperson at Corporate Services Group until standing down in September 2007.

Miles Hunt (Chief Executive)

Miles trained as a solicitor before completing an MBA at Warwick and establishing ProSource Limited, a procurement outsourcing company, in 1995. He set up Empresaria in 1996 and has been Chief Executive since then. From 2000 to 2004 Miles was a non-executive director of Tribal Group plc.

Spencer Wreford (Group Finance Director)

Spencer was appointed Group Finance Director in May 2010 and has over 10 years experience in senior finance roles. He joined Empresaria from BPP Group, where he was the Finance Director of the BPP Professional Education division, a provider of international professional training. Prior to this he spent 8 years at ITE Group Plc, the international conference and exhibition organising group, as Deputy Finance Director, during which time he also spent six months as Acting Group Finance Director. Spencer is a member of the Institute of Chartered Accountants of England & Wales, qualifying with Arthur Andersen.

Penny Freer (Non-Executive Director)

Penny has worked in investment banking for over 25 years. She is a partner of London Bridge Capital, a corporate finance advisory firm. Until 2004 Penny was Head of Equity Capital Markets at Robert W Baird and from 2004 – 2005, Deputy Chairman of Robert W Baird Limited. Prior to this she was Head of Small/Mid Cap Equities for Credit Lyonnais. Penny is an independent director of three quoted companies: in addition to Empresaria she also sits on the Boards of Advanced Medical Solutions plc and Sinclair Pharma plc. She joined the Board of Empresaria in December 2005. Penny is the Chairperson of Empresaria's Remuneration committee and also sits on the Audit committee.

Zach Miles (Non-Executive Director)

Zach joined the Board on 1st October 2008, having recently held the position of Chairman and Chief Executive Officer of Vedior N.V. He was a member of the Board of Management from 1999, and Chairman since February 2004. Before joining Vedior, Zach was CFO and a member of the Board of Directors of Select Appointments Plc. His career in the recruitment industry began in 1988. He was formerly a partner in the international accountancy firm Arthur Andersen and is a qualified Chartered Accountant. He sits on the Remuneration committee and is the Chairperson of the Audit committee.

Shareholder information

<u>Shareholder</u>	<u>Number of shares (m)</u>	<u>% of total</u>
Caledonia Investments plc	10.3	23
Tony Martin	9.2	21
Miles Hunt	4	9
Liontrust Asset Management	3.1	7
Ennismore Fund Management	2.9	7
T J D Sheffield	2	5

Notes: Other directors hold 30,000 shares
Total number of shares in issue is 44.6m