



Investor Presentation

Interim Results

Six months to 30 September 2010

Key Highlights



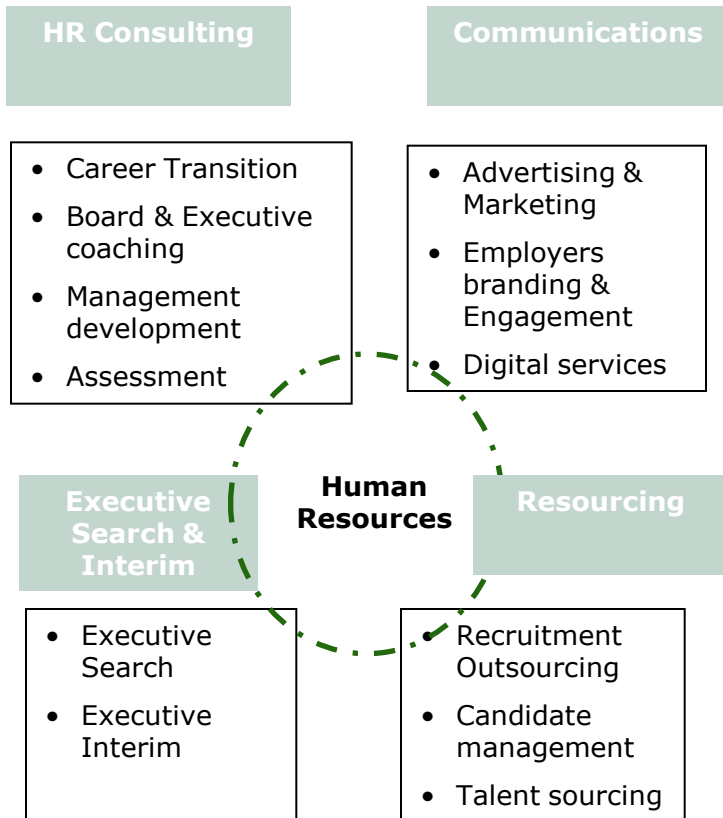
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- Revenue down 6.8% to £45.1m (2009: £48.4m)
- Pre tax profits before exceptional costs £0.1m (2009: £3.5m)
- Cost reduction programme completed in first half will result in annualised savings of £4.6m at a cost of £0.95m
- Loss before tax £0.8m (2009: Profit £2.5m)
- Net cash at period end £2.0m (31 March 2010: £5.3m).
- Interim dividend held at 3p (2009: 3p)
- Growing pipeline of public sector revenues for outplacement and related restructuring services

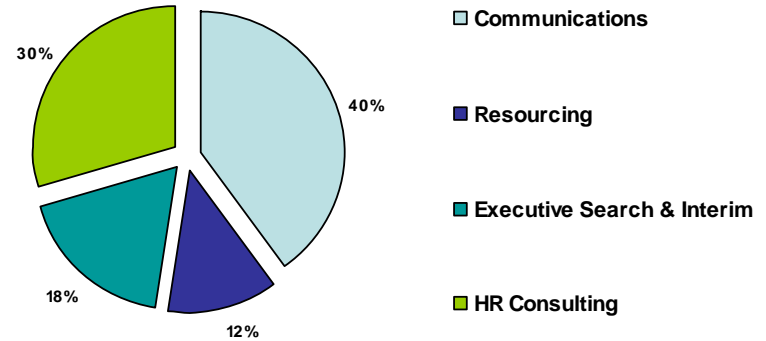
Penna's Service Offering



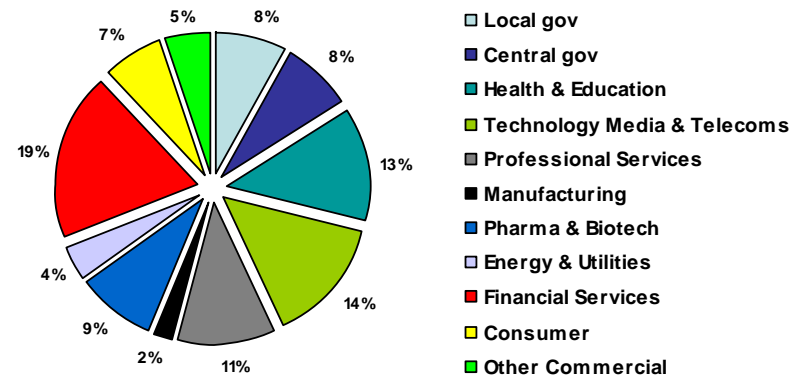
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Revenue by Service Group



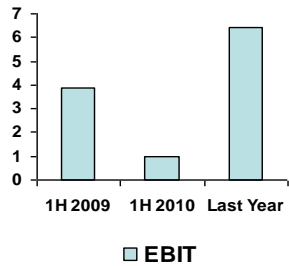
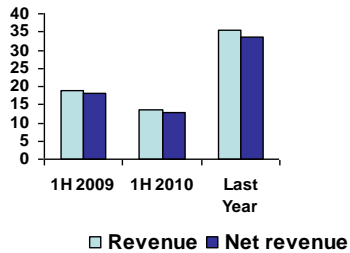
Client base – net revenue by sector



18 offices in the UK, 3 offices in Europe and 200+ partnership offices worldwide



Financials (£'m)



Highlights

- UK's largest Career Transition consultancy (34% market share)
- Public sector cost cutting is a new market
- Associate delivery model
- Long term framework agreements

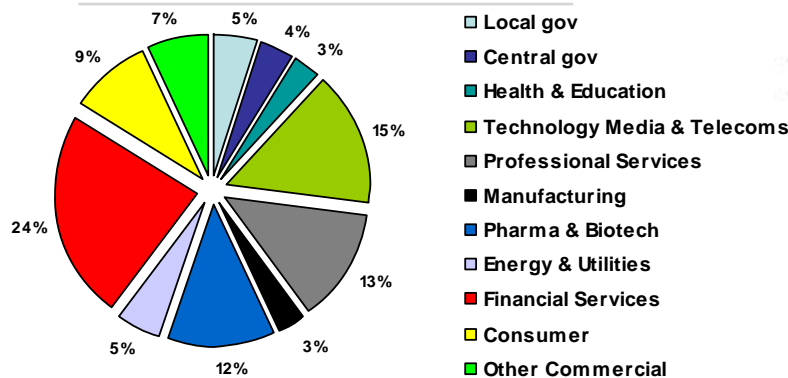
Strategy

- Target public sector
- Work direct or with larger outsourcing businesses
- Expand into management development services

Outlook

- Public sector pipeline building**
- Private sector will continue to control costs**
- New services**
- Outsourcing trend**

Sectors – net revenues



Clients





- 30 new contract wins since start of the year
- A further 46 new opportunities identified
- Opportunity pipeline growth 78% in 2 months

Examples of major wins in:

- Local Government
 - Leicester City, Birmingham City, Ealing Borough, Oxfordshire, Surrey, Sussex, Somerset, Staffordshire
- Major wins in Central Government
 - DWP, Department of Health
- Health
 - South West Strategic Health Authority
- Police
 - Cheshire Constabulary
- Higher Education
 - Plymouth University and Manchester University
- Work Programme SPV for Employment Related Support Services (ERSS) framework
- On-line tools already developed – Get Set Work portal



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[+ Roles](#) | [+ Sites](#) | [+ Site Help](#) | [+ Admin](#) | [My Account](#) | [Log Out](#)

[Home](#) [Career Options](#) [Selling Yourself](#) [Action Plan](#) [Job Search](#) [Reference](#) [Social Getworking](#) [A to Z Search](#)

Welcome Sian Banks

Updates...

Expert Online

Expert Online –
Thursday 16th Sept,
12.30-2.30 –
Transitioning from Public
to Private: a recruiter's
view

[Transitioning from Public...](#)

Research...

Adult Directions Online

A careers matching
program that provides
you with career ideas
and information, and
lets you explore your
own career options

[launch](#)

Alert Data

A company information
database that enables
you to quickly find UK
companies to target as
part of your UK job
search. Full business
information profiles and
downloadable business
lists for every company



Welcome to GetSetWork

Hello and welcome to Get Set Work.

We have designed this website to help you make decisions about career and job options, and then to get yourself prepared. Whether it's finding a new job, working for yourself or retraining - whatever your ambitions and goals and whatever stage your career is at you'll find all kinds of helpful tools and resources. We really recommend that you set your Preferences (see above, click '+'). This gives immediate access to the most useful and relevant information. Use the exercises in Career Options if you're still considering your future direction and the iCould videos can be inspirational in seeing what others have achieved. If your thinking is more clear, use the CV Builder and jobsearch tools to

Read...

How to write the Perfect CV

It is not often that a world leading company goes out of their way to let candidates know precisely what they want to know about and how to put together their...

[read this article](#)

CV Gallery

A CV is a tool to help you in your job hunt and career. You are the best person to write it, as you know the most about its subject. Think...

[read this article](#)

Listen...

Life as an Interim Manager

Listen to one Interim Manager's personal experience - could Interim Management be right for you too?

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Self Motivated Entrepreneurs

Hear some stories of high-profile people who have succeeded in their fields. It's a real insight into what they've achieved, how they achieved it and how their example translates into smaller businesses.

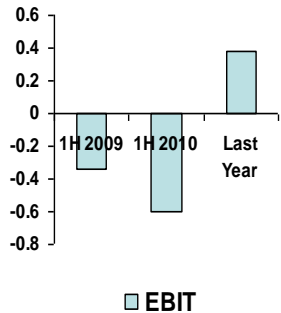
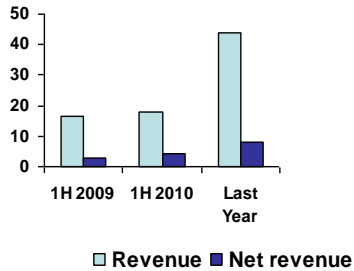
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Communications



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Financials (£'m)



Comparatives include the results of the Barkers acquisition from 29 June 2009

Highlights

- UK's largest recruitment advertising agency
- Long term contracts
- Cost base being aligned to current trading

Strategy

- Transition from traditional media to digital services
- Develop corporate sector client base
- Address changing public sector needs
- Develop employee communications propositions

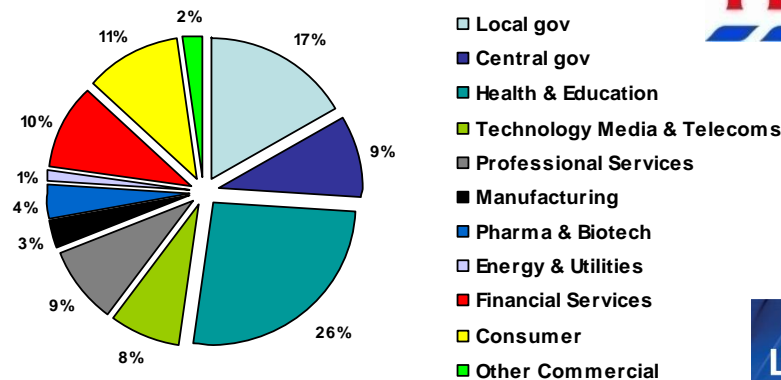
Outlook

- Central government recruitment freeze likely to continue
- Recruitment advertising market slow recovery
- Leading position in digital applications

Clients



Sectors – net revenues

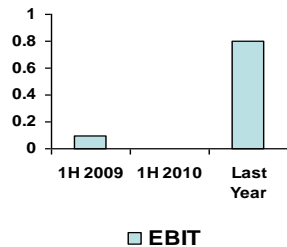
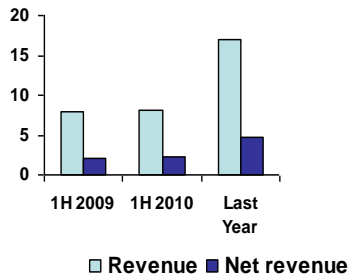


Executive Search & Interim



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Financials (£'m)



Highlights

- Leading public sector search consultancy
- Largest UK executive interim provider
- Search is 100% retained business
- European wide searches

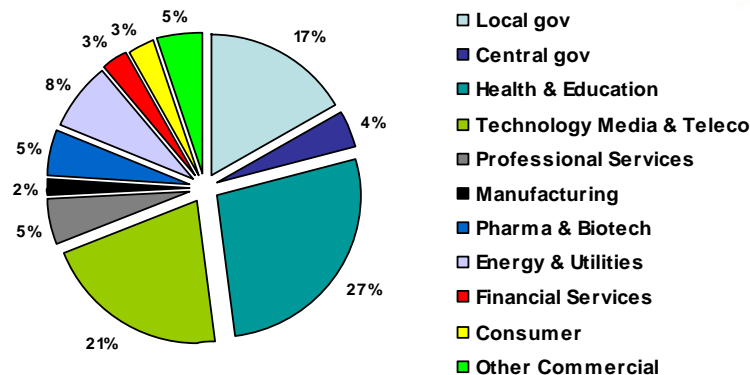
Strategy

- Hire top performing consultants from competition
- Build executive search into corporate sector
- Continue to grow executive interim team

Outlook

- Expand in private sectors**
- Access to new clients from across the Group**
- Build team with new hires and acquisitions in the medium term**

Sectors – net revenues



Clients

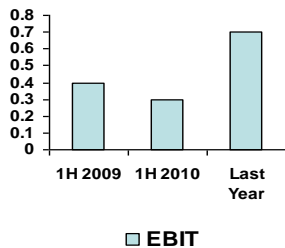
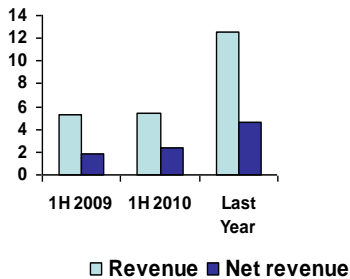


Resourcing



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Financials (£'m)



Comparatives include the results of the Barkers acquisition from 29 June 2009

Highlights

- Major provider of "turnkey" recruitment projects
- Value added solutions with high margins
- Long term contracts for volume and specialist hiring
- New and innovative digital sourcing methods

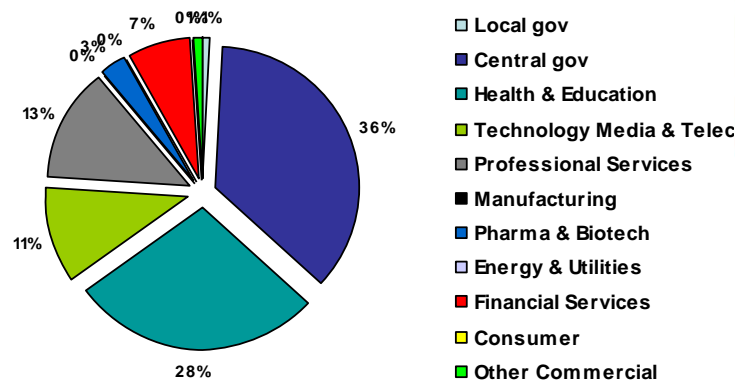
Strategy

- Develop innovative and bespoke solutions
- Cross-sell across Penna's existing client base
- Focus on relocations and outsourcing

Outlook

- Trend towards outsourcing and privatisation**
- Public sector budget constraints**
- Ability to package all group services as a tailored solution**
- Good margins from value added services**

Sectors – net revenues



Clients



Qualifications and Curriculum Development Agency



Strategy and opportunities



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Short term

- Pursue public sector new business opportunities
 - Cost cutting and downsizing
 - Relocation agenda
- Maintain industry leadership in career transition
 - Regional delivery with leading on-line services (Sunrise)
 - Develop services for post recession HR needs
- Develop internet delivery / digital services offering
 - Software
 - Cost savings
- Position Recruitment services for upturn and structural growth opportunities
 - Online
 - Cost base
 - Expand into Private sectors

Medium term

- Selective strategic opportunities
 - Areas of focus
 - HR outsourcing
 - Recruitment and related services
 - Alliances, joint ventures and partnerships
 - Target characteristics
 - Scaled and process orientated
 - Build on existing strengths
- Build a broad based single branded HR business
 - Services
 - Sectors
 - Geographies



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Financial review

Service groups



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£'m	Revenues			Net Revenues			Operating Profit/(loss)		
	Six months to		Full year	Six months to		Full year	Six months to		Full year
	30 Sep 2010	30 Sep 2009	31 Mar 2010	30 Sep 2010	30 Sep 2009	31 Mar 2010	30 Sep 2010	30 Sep 2009	31 Mar 2010
HR Consulting	13.4	18.7	35.3	12.9	18.0	33.5	1.0	3.9	6.4
Communications	18.1	16.4	43.7	4.3	3.0	8.1	(0.6)	(0.3)	0.4
Executive Search & Interim	8.2	8.0	16.9	2.2	2.1	4.7	0.0	0.1	0.8
Resourcing	5.4	5.3	12.6	2.4	1.8	4.6	0.3	0.4	0.7
Unallocated central costs							(0.6)	(0.6)	(1.0)
Total	45.1	48.4	108.5	21.8	24.9	50.9	0.1	3.5	7.3

The comparatives for Communications and Resourcing include the results of the Barkers acquisition from 29 June 2009

Cost reduction programme



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£'m (new current headcount)	Headcount Reduction	Annualised savings	Exceptional cost
HR Consulting (150)	17	1.0	0.31
Communications (107)	20	1.1	0.35
Resourcing (41)	34	1.3	0.18
Executive Search & Interim (47)	3	0.2	0.02
Central (54)	17	1.0	0.09
Total (399)	91	4.6	0.95

Balance sheet



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£'m	At 30 Sep 2010	At 31 Mar 2010
Goodwill and intangible assets	18.4	17.9
Property, plant & equipment	4.6	5.1
Total Fixed Assets	23.0	23.0
Trade receivables	14.2	17.2
Other current assets	2.5	2.5
Trade payables	(5.0)	(7.9)
Media and associate accruals	(5.9)	(6.9)
People related accruals	(0.4)	(1.3)
Overheads and other accruals	(5.1)	(4.8)
Deferred income	(1.5)	(1.6)
VAT & PAYE	(1.0)	(1.6)
Corporation Tax	-	(0.3)
Provisions and deferred tax	(0.8)	(0.7)
Cash	3.6	5.3
Finance leases	(1.6)	-
Net Assets	22.0	22.9

Cash Flow



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£'m	6 months to 30 Sep 2010	6 months to 30 Sep 2009	Year to 31 Mar 2010
Operating (loss)/profit	(0.8)	2.5	3.6
Depreciation and amortisation	0.8	0.3	1.0
Other non-cash movements	-	0.1	0.6
Working Capital movements	(2.2)	5.1	8.1
Net cash from operations	(2.2)	8.0	13.4
Taxation paid	(0.4)	(0.7)	(1.3)
Dividends paid	-	-	(1.8)
Capital expenditure	(0.5)	(1.1)	(4.7)
Issue of Ordinary share capital	-	0.4	0.4
Purchase of own shares for EBT	-	-	(0.7)
Purchase of Treasury shares	(0.2)	-	-
Purchase of trade and assets	-	(8.9)	(8.9)
Net finance leases	1.6	-	-
Net change in cash	(1.7)	(2.2)	(3.6)



- HR Consulting
 - > Public sector pipeline is building in outplacement
 - > Timing and extent of revenues uncertain
 - > Private sector recovery will see clients buying other HR services

- Recruitment and related services
 - > Cost base being managed to be profitable at current revenue levels
 - > Slow growth expected post recession
 - > Public sector recruitment expected to be constrained in the short term

- Second half profitability improvement
 - > Public sector downsizing
 - > Cost reduction programme