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SKILLED Group

29 January 2008

Manager Companies
Company Announcements Office
Australian Stock Exchange Limited
Level 4, Stock Exchange Centre
20 Bridge Street
SYDNEY NSW 2000

Dear Sir

**Results of Extraordinary General Meeting
Skilled Group Limited**

In accordance with Listing Rule 3.13.2 and section 251AA of the Corporations Act, we advise details of the resolutions and the proxies received in respect of each resolution are set out in the attached proxy summary

1 APPROVE ISSUE IN THE LAST 12 MONTHS OF SHARES

The instructions given to validly appointed proxies in respect of the resolution were as follows:

In Favour	Against	Abstention	Proxy's discretion
3,767,853	316,025	44,650	953,423

The motion was carried on a show of hands as an ordinary resolution.

2 APPROVE THE ISSUE OF SHARES TO HEDONSAX PTY LTD

The instructions given to validly appointed proxies in respect of the resolution were as follows:

In Favour	Against	Abstention	Proxy's discretion
20,132,610	534,344	228,756	947,635

The motion was carried on a show of hands as an ordinary resolution.

The Chairman's presentation to Shareholders at the meeting is attached.

Yours faithfully



Ken Bieg
Company Secretary

SKILLED Group Limited Special General Meeting

29 January 2008

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people • risk management • specialist skills • safety
productivity • innovation • delivery • people • risk
leadership • productivity • innovation • delivery
specialist skills • safety • knowledge • integrity
delivery • people • risk management • specialist

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Background to today's resolutions

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- **SKILLED's growth opportunities and strategies**
- **Funding requirements to support future growth**
- **The Board's decision to increase equity by an Institutional Share Placement**
- **Why a Share Purchase Plan was not offered to retail shareholders**
- **Current Debt Levels**
- **Operating Environment and our Outlook**

Our growth strategies

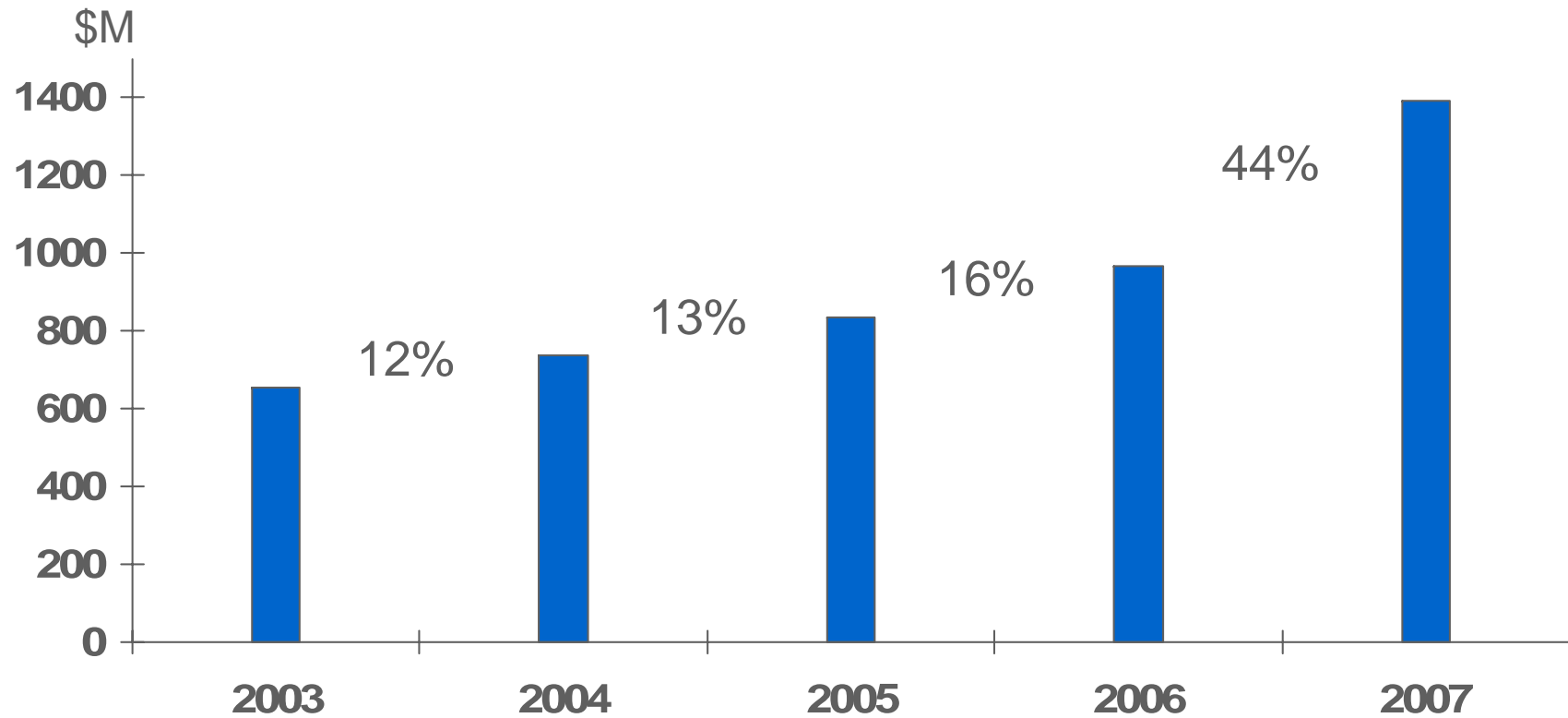
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Growth Strategies



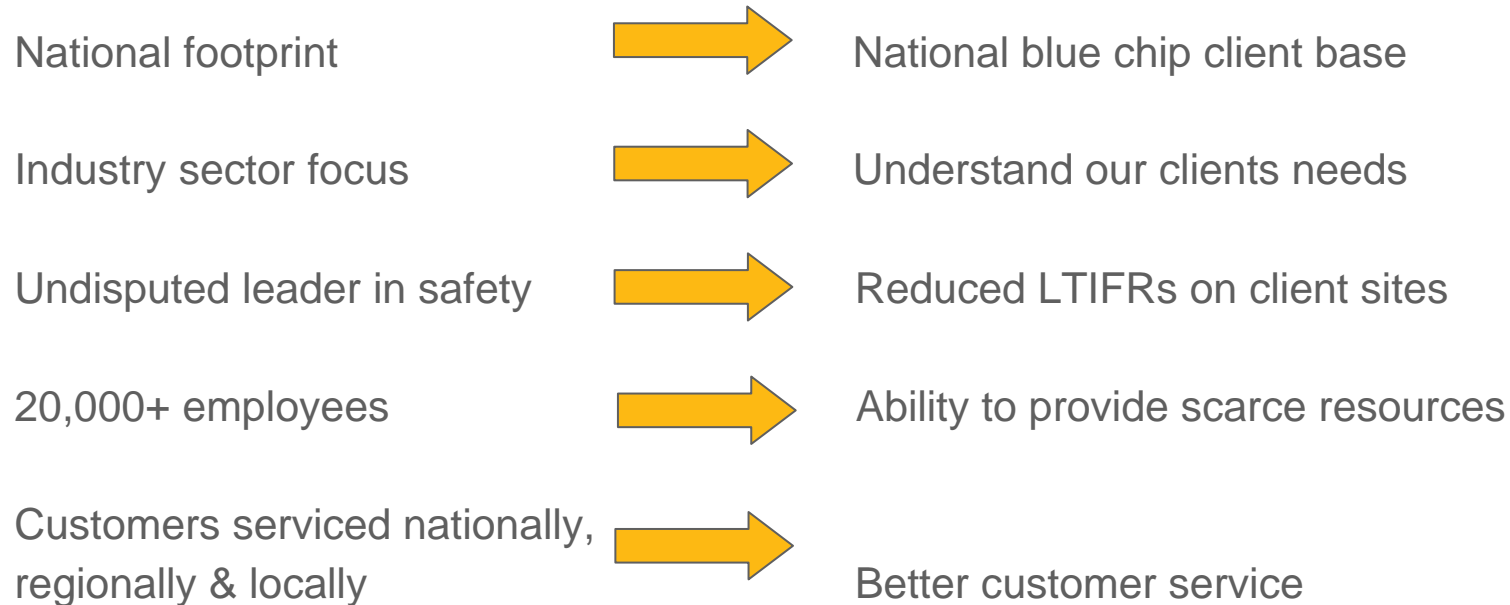
We have continually delivered double-digit revenue growth

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We have continually delivered strong organic growth

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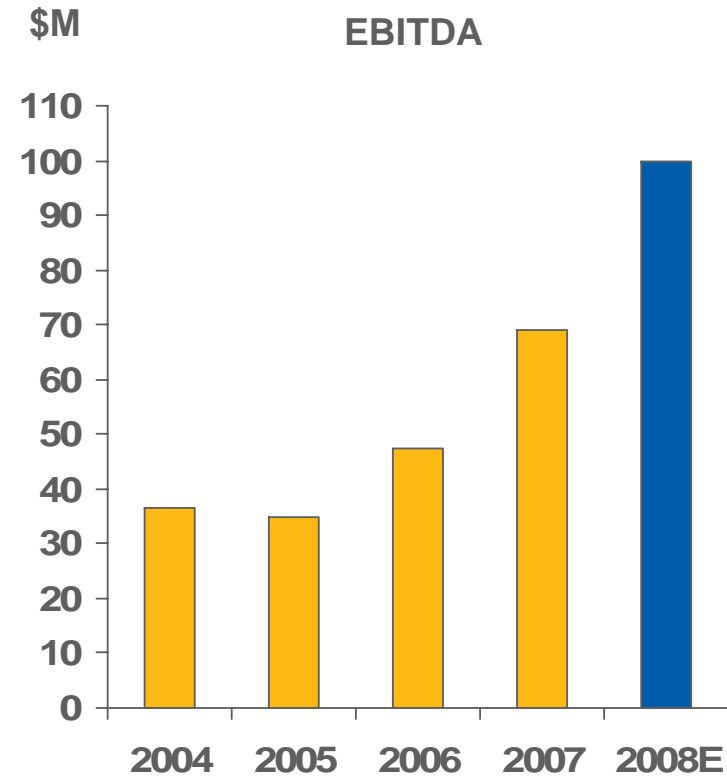
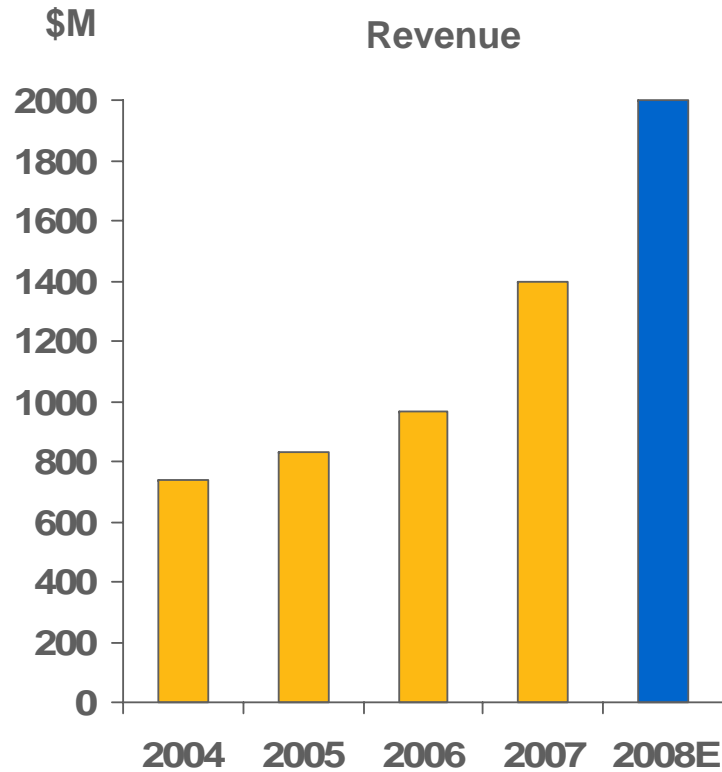
Delivers premium pricing



Increased margins

Acquiring businesses has helped to double our revenue and almost triple our earnings since 2005

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SKILLED Group is well positioned for future growth

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- **SKILLED Group is a low risk, high growth stock**
 - specialise in providing flexible labour
 - operate across a range of sectors (largest sector represents 22% revenue)
 - business spread over a diverse range of clients (largest client represents 4% revenue)
- **Pipeline of acquisition opportunities**
- **Proven experience at effectively integrating acquired businesses**
- **We continue to deliver strong organic growth**
- **Skills shortages create opportunities for SKILLED Group as Australian businesses turn to us to access people with highly sought after skills**
- **The staffing services sector is highly fragmented and SKILLED Group is leading the consolidation**

Funding requirements to support future growth

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- **Our plan is to continue to grow the business both organically and by acquisitions**
- **This will require ongoing access to additional funding**
- **Until recently growth has been funded by debt and retained earnings**
- **The Board considers that it is now appropriate to increase our funding capacity through an increase in equity capital**

Our Funding Objectives

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Maximise Earnings per Share (EPS)

- maximise flow through to the share price

Maintain financial flexibility to support future growth or unexpected opportunities

- SKILLED Group will continue its growth strategy while acquisitions are available and value accretive

Minimise complexity

- avoid unnecessary complexity for the market and manage the balance sheet

Ensure financial covenants are not breached

- maintain target financial ratios

Maximise efficiency / minimise transaction costs

- minimise fees and transaction costs
- minimise management time – document preparation and due diligence for capital raising

Institutional Share Placement

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- **SKILLED Group announced a share placement of \$75M (14.4M shares) on 27 November and an intention to place a further \$10M (2M shares) subject to Shareholder approval**
- **Historically the share register has been underweight in institutional representation**
- **This placement met two key objectives:**
 - secured the shareholdings of two mainstream institutions, above 5% each (Perpetual Investments and Paradice Investment Management)
 - increased other institutional shareholdings by 3M shares
- **In addition the placement has increased the liquidity of SKE shares**

Why was a Share Purchase Plan not offered to retail shareholders?

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- **The placement secured a stronger institutional presence**
 - major reason for conducting the placement was to secure a stronger institutional presence
- **Maximised efficiency / minimised transaction costs**
 - publication of a prospectus was not required
- **The Placement was not done at a discount**
 - the pricing of the placement was done at a discount of less than 1% of the 7-day Volume Weighted Average Price prior to the announcement being made
- **Shareholders have had an opportunity to participate in the Dividend Reinvestment Plan with a 2.5% discount**
 - in respect to the last two dividends, however, shareholder participation rate in the DRP has been quite low being on average 11.5%

Current Debt Levels

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- **Following the Share Placement in November our total debt level as at end December is around \$275 million**
- **Our current senior bank debt facilities are a total of \$350 million consisting of:**
 - \$175 million due for re-negotiation in August 2008; and
 - \$175 million due for re-negotiation in August 2010
- **Bank covenants in respect to these facilities are currently being met.**
- **Debt levels will be further reduced by the \$10 million proceeds from the share placement to Hedonsax which is subject to shareholder approval today**

Operating Environment and Our Outlook

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- **Despite the events of the past two weeks on global share markets and concerns about the impact of a recession in the USA, we remain confident about the underlying strength of the Australian economy and the opportunities available to SKILLED.**
- **We are currently preparing our financial results for the first half of 2007-08 and expect to release these on about 20 February.**

SKILLED Group Limited Special General Meeting

29 January 2008

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specialist skills • safety • knowledge • integrity
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Item 1

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To approve issues of shares made in the last 12 months

To consider and, if thought fit, to pass the following as ordinary resolution:

“That, for the purposes of Listing Rule 7.4 of the Australian Securities Exchange and for all other purposes, approval be given to the issue of shares in the Company, details of which are set out in Item 1 of the Explanatory Notes attached to this Notice of Meeting.”

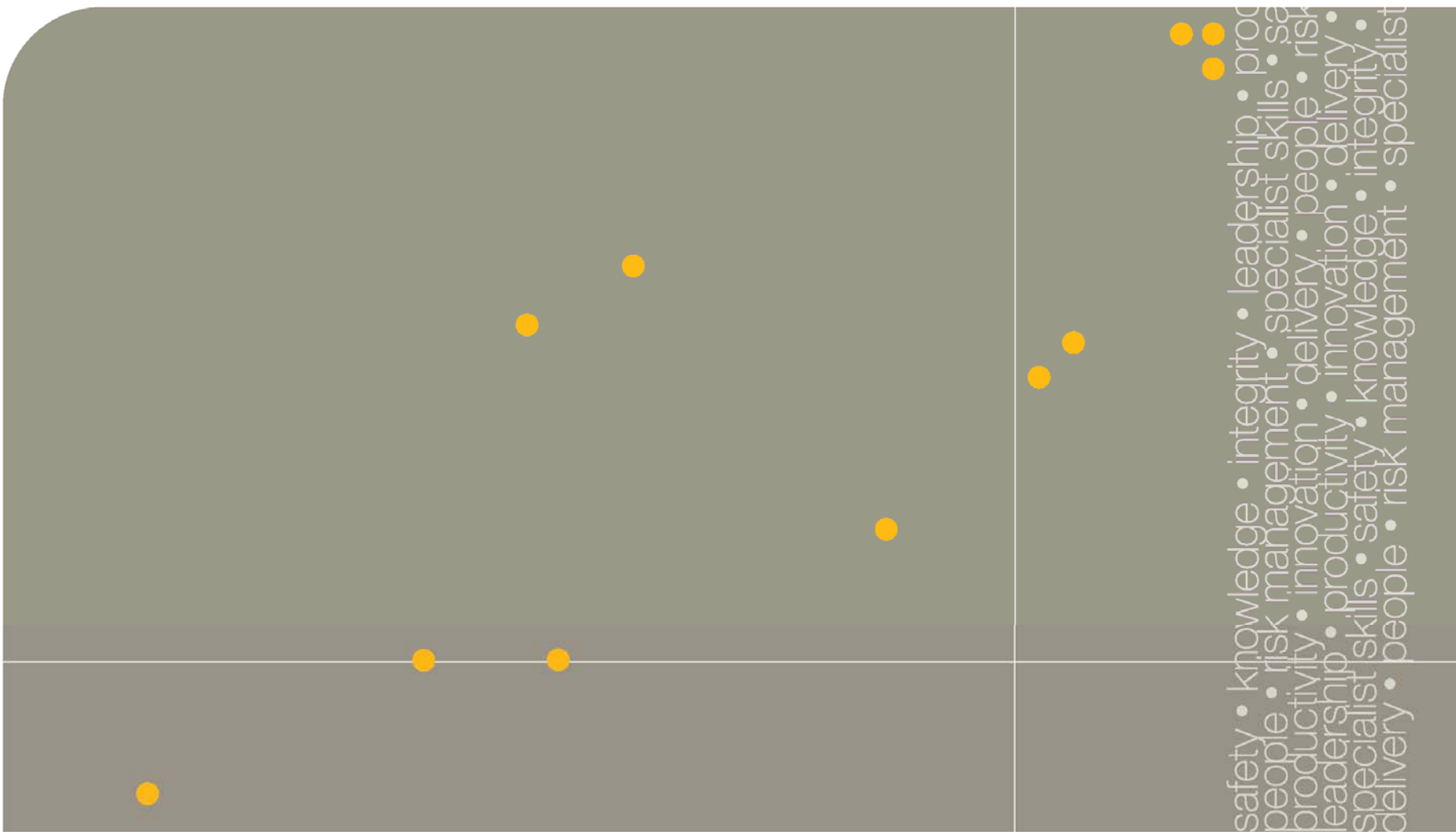
Item 2

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To approve the issue of shares to Hedonsax Pty Ltd

To consider and, if thought fit, to pass the following as ordinary resolution:

“That, for the purposes of Listing Rule 10.11 of the Australian Securities Exchange and for all other purposes, approval be given to the issue to Hedonsax Pty Ltd of 2 million shares in the Company at A\$5.20, details of which are set out in Item 2 of the Explanatory Notes attached to this Notice of Meeting.”



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