2011 half year results presentation and $53 million equity raising

23 February 2011

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SKILLED Group

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SKILLED "re-Engineering"

HY11 results overview

Equity Raising

Appendices

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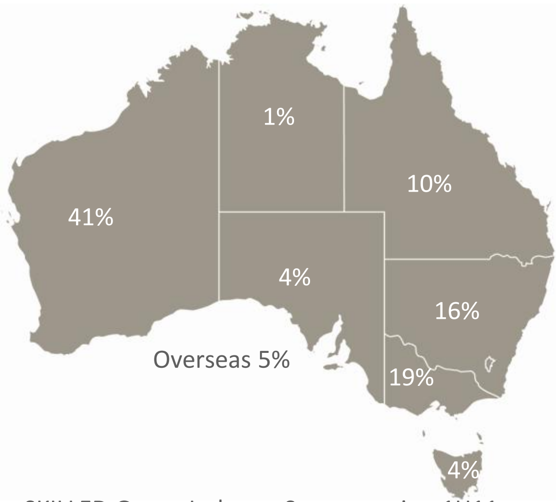
SKILLED Group

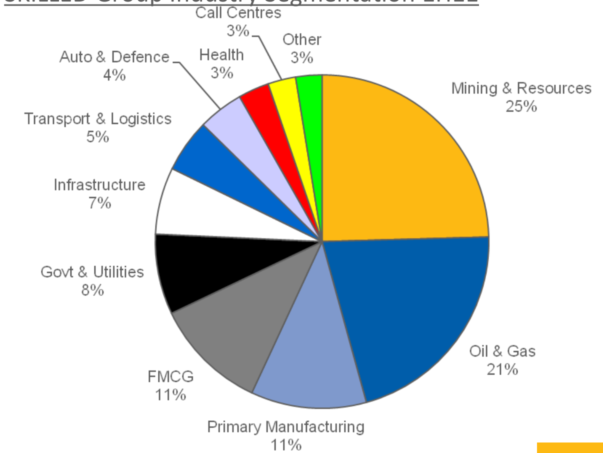
Strong foundations

- Market leader in provision of flexible labour solutions
  - complementary positions in white collar recruitment, maintenance and project services and offshore marine services
- Well established and trusted brand
- Strong safety record and industrial relations expertise
- Extensive branch network across Australia with a predominantly blue chip client list
- Broad service offering to suit changing client needs
- Strong position in key growth markets and sectors such as Western Australia, Mining & Resources, Oil and Gas and Infrastructure
- Employed 48,000 people last year

SKILLED Group Revenue by geography 1H11



SKILLED Group Industry Segmentation 1H11

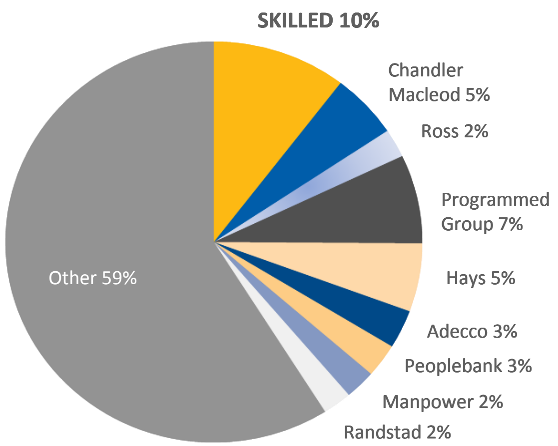


SKILLED Group

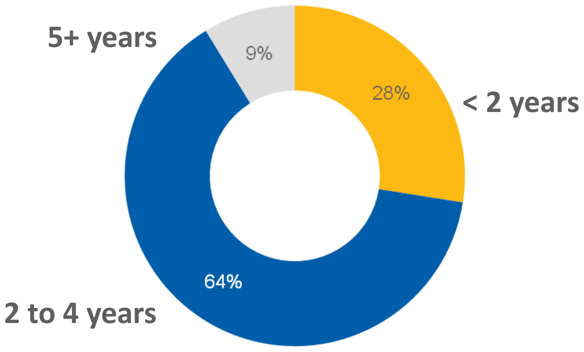
#1 with performance turnaround potential

- SKILLED Group is #1
- Strong foundations but financial underperformance
- Performance turnaround potential:
  - Core Plus strategy
  - financial discipline
  - leverage systems investment
  - improve operational processes
  - build capability
  - harness the power of the group
- Sustainable performance turnaround will take time

Estimated Market Share FY10



Workforce Services Contract Duration



1H FY11 - improved result underlines potential

- Revenue up 11% to $934.3 million; underlying EBITDA up 27% to $42.7 million
- Continued to deliver positive operating cash flow, up $22.3 million to $37.2 million
- Improvement reflects economic conditions

……but significant change is required to turn around financial performance and deliver sustainable improvement in returns to shareholders

- Underlying adjustments of $16.9 million[1], including goodwill impairment and restructuring costs
- Additional $3 million accelerated amortisation of the acquired Origin employee database; total $4 million incurred this half
- Equity raising of approximately $53 million to reduce debt and debt servicing costs and strengthen the balance sheet to support growth

[1] ($16.9m before tax; $15.8 after tax)

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Core Plus strategy

SKILLED Group

Offshore Marine Services

Recruitment Services

Projects & Maintenance

Value added services

Client focused Sales, Service & Operations

Blue Collar Labour Hire & Placements

Sourcing & Supply of Labour and Skills

Branch Network and 'Back Office' Systems

Core Plus Strategy

Focus on the Core business:
- Blue collar labour hire and placement
- High skilled trades & services
- Leverage the branch network

Fit for Purpose back office systems

Scale overheads and cost base to suit

Drive value added services:
- Training, Recruitment, Apprenticeship
- Workforce Management services

'Core Plus' businesses leverage the core:
- Client base, branch network, back office and cost base
- White collar recruitment (Swan, Mosaic)
- Offshore Marine Services (OMS)
- Maintenance and Project Services (ATIVO)

'One Team' Culture in support of front line teams

Improve the performance or exit from non-core businesses

SKILLED "re-Engineering" - improvement program

Governance and Strategy

Improved governance

Simple, clear Core Plus strategy

New leadership

Implement management disciplines

Key Enablers

Zero Harm – refresh the approach to safety

'One Team' culture
- shared offices /branches where feasible
- align and refocus incentives

Organisation & capability build

Improve systems & processes

Brand strategy

Financial Discipline

Balance Sheet repair

Sustainable, low cost overhead structure

Improved cash cycle / working capital management

Address unprofitable businesses / segments

Profitable Growth

Profitable growth
- core business exposure to resources & skills shortage
- focus on organic growth
- innovation and value added services
- key account management
- grow into higher value areas : White Collar / OMS / ATIVO

Mergers & acquisitions
- deliver synergies from previous acquisitions
- capture lessons learned

SKILLED "re-Engineering" - progress made

Governance and Strategy

Board renewal

Executive Committee established

Implemented weekly sales reviews & disciplines

Program Management Office established

Management renewal well underway – new people:

John Kempe	CEO OMS
Mark Jansen	CEO ATIVO
Matt Caulfield	EGM Branch Support Centre
David Timmel	EGM WFS Western
Sue Healy	EGM – Recruitment Services
Carl Phillips	EGM People – HR/IR
Morris Guest	GM – Safety
Andrew Ford	GM Finance
Greg Harrison	COO OMS
Drew Fairchild	Strategy / Program Management Office
Delphine Cassidy	Public Affairs

Key Enablers

One Team culture

- one leadership team formed
- plans to exit St Kilda Road office, co-locate branches

Organisation & Capability

- re-organised around the core business
- removed the 'Group' layer, reduced corporate roles
- Core business EGMs report direct to CEO
- formed Business Development function
- formed single Branch Support Centre including Shared Services
- appointed senior industry professional to Recruitment Services

Systems & Processes

- pilot programs underway to deliver benefits from investment made

SKILLED “re-Engineering” - progress made

Balance Sheet Repair

$53 million capital raising launched to reduce debt and support growth:

- **Effective interest cost too high**
  - bank margin, hedging costs
- **Working capital required to support growth**
- **Conservative debt levels preferred:**
  - volatility in labour demand
  - majority of assets are intangible
- **Current lender arrangements restrictive**
- **Supports payment of a sustainable dividend**
- **Positioned for future growth opportunities**

Financial Discipline

Cost reduction

- **Annualised overhead cost reduction of $10 million pa over two years:**
  - simplified organisation, reduced corporate
  - invest back into the frontline
  - co-location of offices/branches
  - targeted marketing/sponsorship
- **Requiring further restructuring charges of $4 - $5 million over two years**

Exit under-performing, non-core or high risk businesses:

- exited from select high risk ATIVO business/contracts
- Excelior: in discussions with parties for possible sale, subject to target value being achieved

Cash management Improvement plan:

- management of trading terms
- measures, KPIs incentives and reporting
- process improvement initiatives underway
- automation pilot underway

SKILLED "re-Engineering" – a phased approach

Impact

Develop shared strategy

Understand the Business

Simple clear strategy:
- Core+ Strategy
- SKILLED "re-Engineering" change program
- Balance sheet repair
- Re-organise / new team
- Improve basic disciplines

Build capability

Leverage exposure to growth markets & segments

Zero Harm safety refresh

Build capability:
- Leadership & organisation
- Sales & marketing
- Management processes

Deliver benefits:
- Leverage system investments
- Cost out, cash improvements
- Non-core assets

'One Team' culture

Profitable growth

Leverage exposure to growth markets & segments

Zero Harm safety leadership

Build on brand leadership:
- Strengthen market position
- Leading employer brand

Higher value services

Most efficient operation:
- Low cost, high volume

Embedded One Team culture

Superior returns

100 Days / 3 mths | 6 mths | 1 yr | 2 yr | 3 yr | 4 yr | 5 yr | **Timeline**

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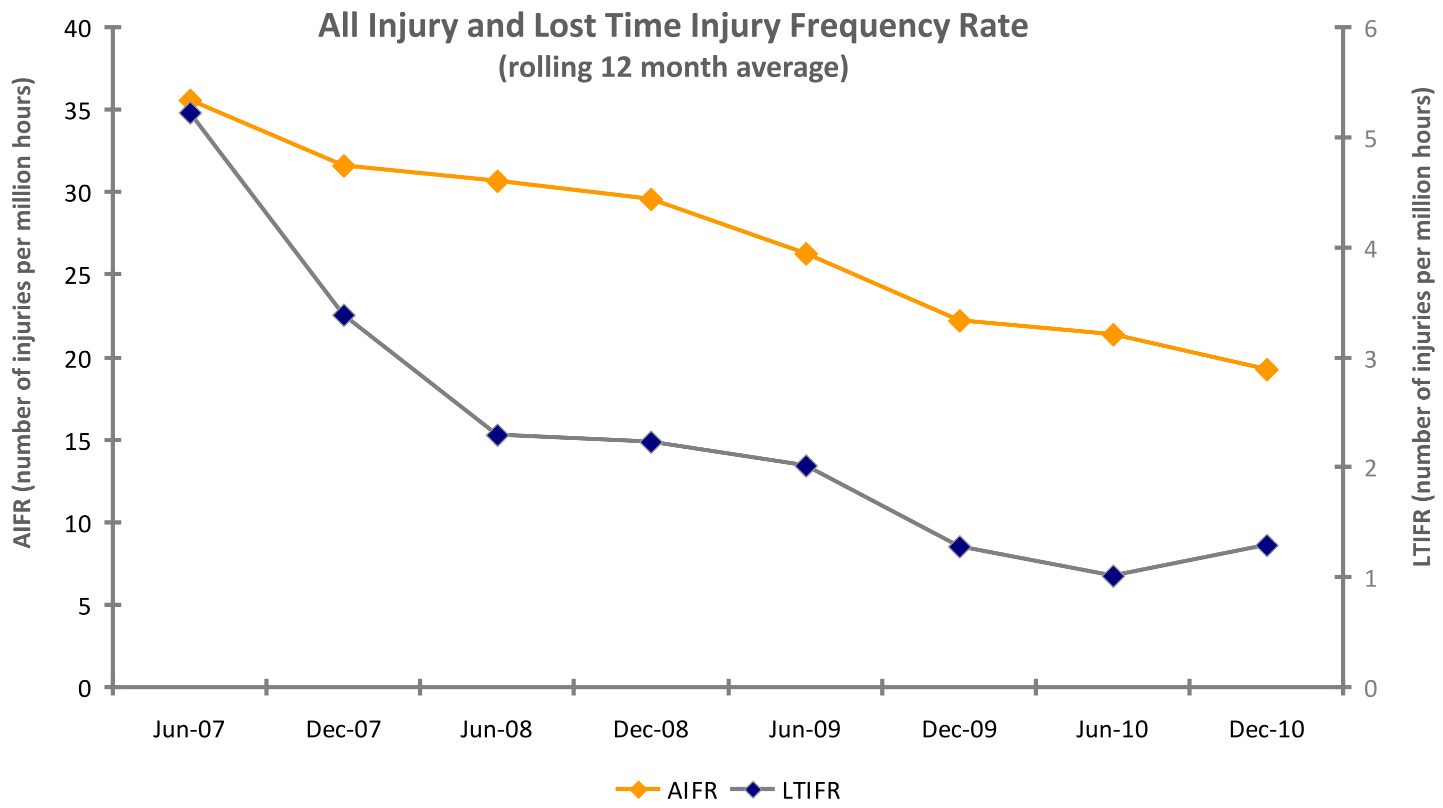
Safety performance



- Over the last 6 months, AIFR reduced from 21.35 to 19.25 and LTIFR increased from 1.02 to 1.29

HY11 Results overview

Improved underlying result in first half

safety • integrity • knowledge • people • innovation • specialist skills •

	1H 11 $M	2H 10 $M	1H 10 $M	Change 1H 10 v 1H 11
Revenue[1]	934.3	853.4	844.5	10.6%
Reported EBITDA	27.6	31.4	30.7	(10.1%)
Underlying EBITDA	42.7	35.5	33.6	27.1%
Underlying EBITDA % Margin	*4.6%*	*4.2%*	*4.0%*	
Reported EBIT	14.5	20.0	20.3	(28.6%)
Underlying EBIT	30.8	25.5	24.7	24.7%
Underlying EBIT % Margin	*3.3%*	*3.0%*	*2.9%*	
Reported NPAT	(2.3)	8.2	4.5	(151.1%)
Underlying NPAT	13.5	10.2	9.0	50.0%
Reported EPS (cps)	(1.2)	4.5	2.8	
Underlying EPS (cps)	7.1	5.3	5.7	

- Revenue up 10.6% (pcp) and underlying EBITDA up 27.1% (pcp)
- Result reflects impact of positive macroeconomic drivers in particular through resource-exposed businesses
  - improved performance from WFS, Swan, OMS and ATIVO
- Underlying adjustments include goodwill impairment, restructuring expenses and costs associated with the discontinued sale process of Swan

[1] excludes equity accounted income for OMSA JV

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HY11 Results overview
Underlying adjustments

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$M	1H 11	1H 10	Change
Reported EBITDA	27.6	30.7	(3.1)
Adjustments:			
Restructuring and branch closure costs	1.7	2.9	(1.2)
Goodwill impairment (non cash)[1]	12.5	-	12.5
Costs associated with discontinued sale process of Swan Contract Personnel[2]	0.9	-	0.9
Underlying EBITDA	**42.7**	**33.6**	**9.1**
Reported EBIT	14.5	20.3	(5.8)
Adjustments:			
Above EBITDA adjustments	15.1	2.9	12.2
Amortisation of intangible assets (non cash)[3]	1.2	1.5	(0.3)
Underlying EBIT	**30.8**	**24.7**	**6.1**
Reported NPAT	(2.3)	4.5	(6.8)
Adjustments:			
After tax EBITDA adjustments	14.3	2.0	12.3
Notional interest on earn-out liabilities (non cash)	0.6	1.4	(0.8)
Amortisation of intangible assets (non cash)[3]	0.9	1.1	(0.2)
Underlying NPAT	**13.5**	**9.0**	**4.5**

[1] Longhill $2.7m; Skilled NZ $1.7m; Extraman $8.0m
[2] includes incremental internal expenses of $0.3m inclusive of staff retention payments
[3] includes brand names, restraints and customer contracts

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HY11 Results overview
Balance Sheet

$M	Dec 10	Jun 10	change
Cash	2.2	2.6	(0.4)
Trade Debtors and Other Receivables	242.4	253.3	(10.9)
Goodwill and Other Intangibles	394.1	414.7	(20.6)
Other Current Assets	8.8	14.0	(5.2)
Other Non Current Assets	36.7	34.8	1.9
Total Assets	**684.2**	**719.4**	**(35.2)**
Current Borrowings[1]	50.3	17.9	(32.4)
Non Current Borrowings[2]	135.2	169.1	33.9
Current Earn out liability	7.3	20.0	12.7
Non Current Earn out liability	6.1	11.9	5.8
Other Current Liabilities	133.8	148.3	14.5
Other Non Current Liabilities	12.0	12.5	0.5
Total Liabilities	**344.7**	**379.7**	**35.0**
Total Equity	**339.5**	**339.7**	**(0.2)**
Net Debt / Net Debt + Equity	**35.1%**	**35.2%**	**(0.1%)**
Interest Cover (times)[3]	**3.3**	**2.9**	**0.4**

[1] Current Borrowings include senior debt of $40.0m and $10.3m of other borrowings.
[2] Non Current Borrowings include senior debt of $134.8m (net of establishment costs) and other borrowings of $0.4m. The total senior debt facility is $230m.
[3] 12 month underlying EBITDA / Net Interest excluding interest on earn-out liabilities

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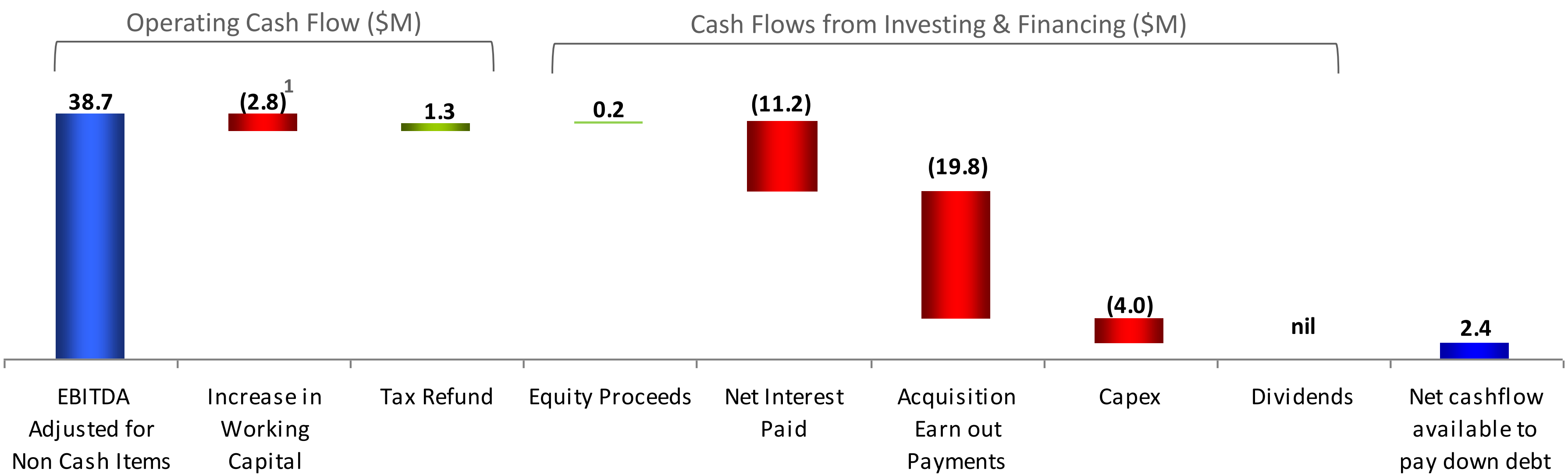
HY11 Results overview

Continued to deliver positive operating cashflow



[1] **Movements in Working Capital ($M)**

Receivables	10.9	Lower sales Dec 10 v Jun 10
Other Assets	3.1	Lower prepayments Dec 10 v Jun 10
Payables	(23.0)	Lower activity Dec 10 v Jun 10; payment of back pay accrued at Jun 10
Provisions	6.2	Increase in employee entitlements, including LSL
	(2.8)	

HY11 Results overview
Segment performance

	Sales		Underlying EBITDA		Underlying EBIT	
	$M	1H11 v 1H10	$M	1H11 v 1H10	$M	1H11 v 1H10
Workforce Services	468.6	↑ 13.0%	20.1	↑ 6.9%	17.2	↑ 7.5%
Other Staffing Services	210.8	↑ 21.1%	10.0	↑ 25.0%	4.1	↓ 18.0%[2]
Engineering and Marine Services[1]	232.4	↑ 0.5%	20.5	↑ 73.7%	19.5	↑ 78.9%
Business Services (Excelior)	25.6	↓ 10.5%	0.8	↓ 70.4%	(0.4)	↓ 140.0%
Segment Performance	**937.4**	**↑ 10.5%**	**51.4**	**↑ 24.5%**	**40.4**	**↑ 22.8%**
Unallocated / Eliminations	(1.5)		(8.7)		(9.6)	
Group Performance[1]	**935.9**	**↑ 10.5%**	**42.7**	↑ 27.1%	**30.8**	↑ 24.7%

- Significant improvement in Engineering and Marine Services:
  - OMS: improved contribution from international and Australian operations
  - ATIVO: strong contribution from increased activity from major contracts and successful execution of major shutdowns
- Strong performance from Swan and improved activity and performance in Workforce Services (blue collar labour hire)

[1] includes equity accounted income for OMSA JV
[2] includes accelerated amortisation of database for Origin Healthcare of $3.0m

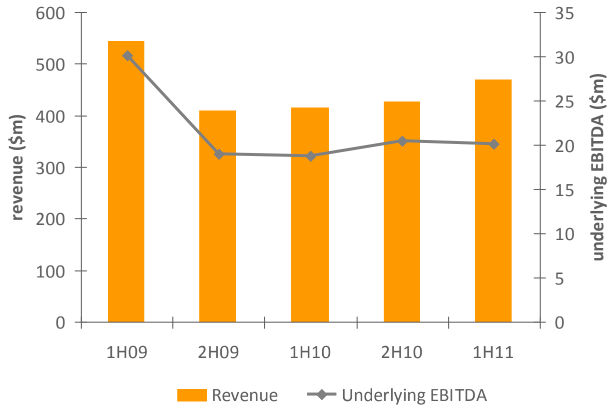
See Appendix on page 37 for absolute comparison

HY11 Results overview
Workforce Services

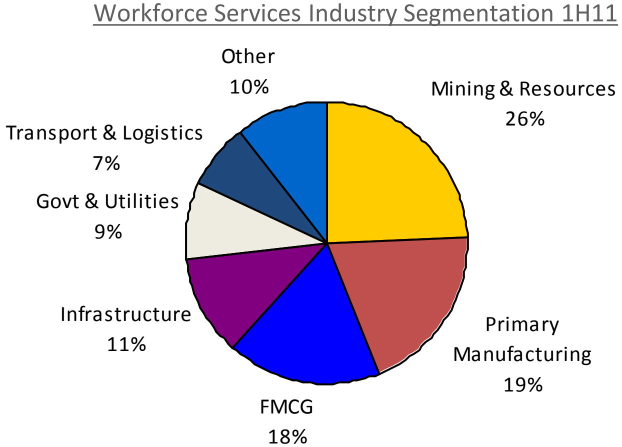
Highlights:

- Revenue growth of 13% vs. pcp but not back to pre GFC levels
- Activity levels in the mining business continue to grow, however at a slower rate than the overall sector as:
  - some clients have transitioned key employee categories to permanent employees to secure labour
  - unusually high rainfall has led to some loss of production time on some clients' mining operations in the Hunter Valley
- Civil and construction projects and major roads upgrades continue to drive growth along the Eastern seaboard

Revenue and Underlying EBITDA:



Industry Breakdown:



Outlook:

- Slower growth in Q3 due to impact of floods in Queensland; levels of activity expected to be patchy before the reconstruct phase commences
- Growth expected to continue in the second half in the mining sector
- Continued growth in civil and infrastructure sectors

Provision of supplementary labour hire. Revenue from this segment is earned predominantly from the provision of blue-collar labour hire to clients in the industrial, mining and resources sectors. Brands in this segment include SKILLED, TESA, Extraman and Longhill Group.

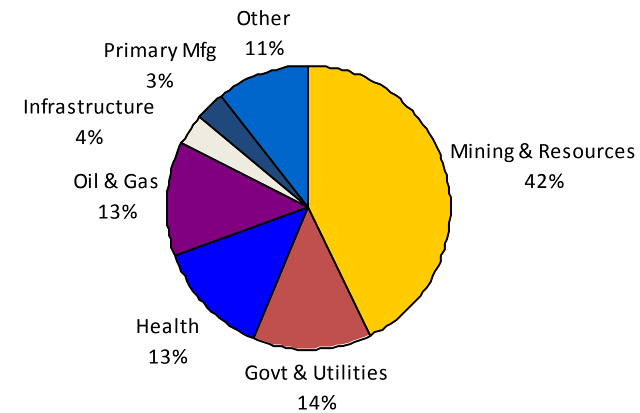
HY11 Results overview
Other Staffing Services

Highlights:

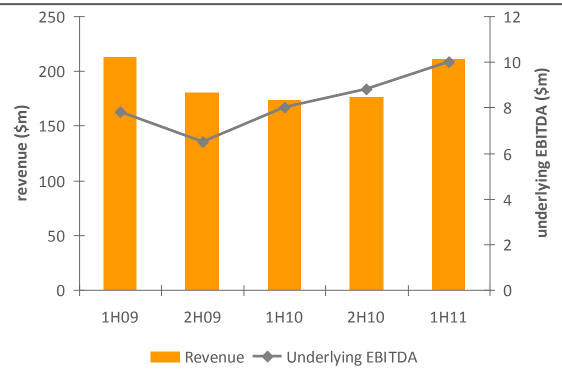
- **Swan:** Substantial increase in revenue and profitability as a result of increased activity in the major LNG and infrastructure projects
- **Mosaic**: Contractor and permanent placements have continued to be strong in the IT&T sector
- **PeopleCo:** Revenue slightly lower in permanent placements due to decisions being held over or placed on hold
- **Origin Healthcare:** Revenue in line with last year; however reduced reliance on agency nursing utilisation from major private and public hospitals impacts growth prospects. Database amortisation of $4 million ($3 million accelerated) reduced EBIT contribution

Industry Breakdown:

Other Staffing Services Industry Segmentation 1H11



Revenue and Underlying EBITDA:



Outlook:

- **Swan:** well positioned to benefit from strong pipeline of resources and LNG projects
- **Mosaic:** demand for labour recruitment in the IT&T sector expected to remain strong; offset by completion of the MYKI contract
- **Origin Healthcare:** growth opportunities remain limited. A total of $4 million database amortisation in the second half; database will be fully written down by end of financial year

Provision of nursing, white collar, engineering and technical professional staff. Brands in this segment include Origin Healthcare and its subsidiaries, PeopleCo, Mosaic, Swan, Skilled Technical Professionals and Damstra Mining Services.

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HY11 Results overview

Engineering & Marine Services

Highlights:

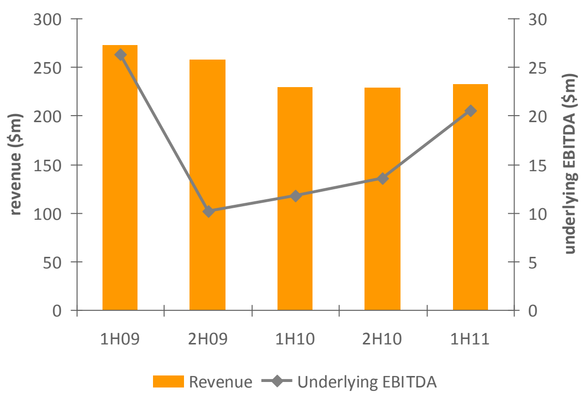
OMS:

- Improved performance from OMS International operations
- OMS Australia operations impacted by lower rig manning activity due to a reduction in drilling program activity; offset by higher margins on vessels due to an improved currency position and lower bareboat charter rates; and lower vessel maintenance costs and improved utilisation compared to pcp

ATIVO:

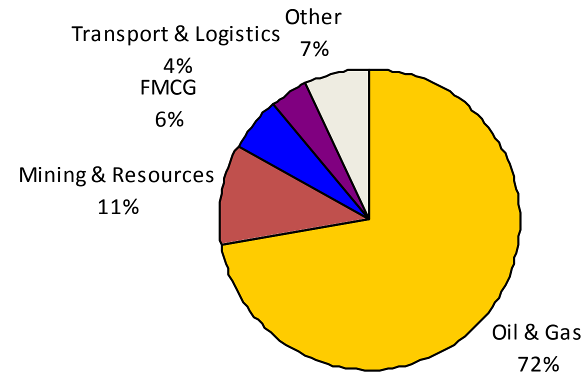
- Increased activity in WA securing a number of contracts with blue chip clients and successful execution of major shutdowns
- Increased activity in the recurring contract maintenance business including in the manufacturing sector

Revenue and Underlying EBITDA:



Industry Breakdown:

Engineering & Marine Services Segmentation 1H11



Outlook:

- The impact of possible exits from high risk or low return business in the engineering and project services businesses will result in lower growth in the next 6 months
- Pipeline for major LNG projects remains strong

Provision of contract maintenance and engineering services and offshore marine staffing and vessel chartering and management services. Brands in this segment include ATIVO and Offshore Marine Services.

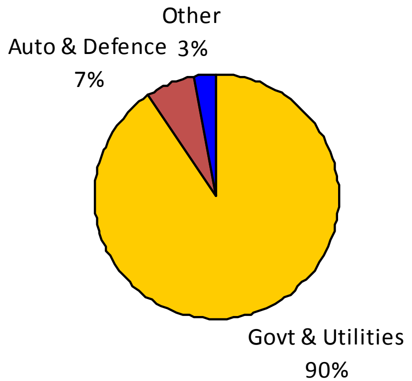
HY11 Results overview
Business Services (Excelior)

Highlights:

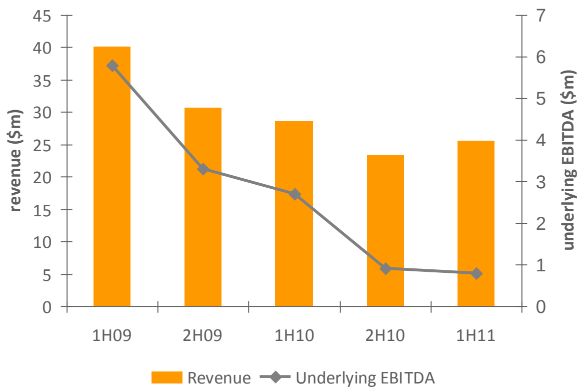
- Revenue down by 10.5% due to reduction in call volumes and utilisation at the Burnie contact centre
- Increased activity from government contracts and on-boarding of several new clients

Industry Breakdown:

Business Services (Excelior) Segmentation 1H11



Revenue and Underlying EBITDA:



Outlook:

- Positive trend in Government contact centre outsourcing expected to continue
- Growth expected from telecommunications clients in both Direct Sales and Contact Centre outsourcing

Provision of customer contact solutions for third-party clients provided through our Excelior brand.

SKILLED Group

Outlook for SKILLED Group

- Economic growth in Australia is expected to sustain employment growth, particularly in the oil and gas and resources sectors
- We expect that profitability will increasingly demonstrate the benefits of the SKILLED "re-Engineering" strategy over time
- However, the rate of revenue growth in the second half may be impacted by:
  - uncertain timing of economic recovery following the Queensland floods;
  - activity levels in industrial sectors remaining patchy; and
  - the deliberate exit from some higher risk contracts in Engineering and Marine Services
- Profitability in the second half will be impacted by:
  - continued accelerated amortisation of Origin databases in the second half;
  - ongoing restructuring costs; and
  - offset by lower interest costs as a result of the debt reduction

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SKILLED “re-Engineering”

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Equity Raising

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Equity Raising
Use of proceeds

- Net proceeds from the equity raising will be used to repay debt
  - Reduction in SKILLED Group's gearing and debt servicing costs
  - Provides sufficient capital for SKILLED to leverage the positive Australian employment environment and support growth
- Proceeds from the $53 million equity raising will reduce net debt as at 31 December 2010 from $183 million to a pro forma net debt of approximately $132 million[1]
- Gearing (net debt / net debt + equity) as at 31 December 2010 will reduce from 35.1% to a pro forma 25.2%
- Expected reduction in interest expense of approximately $1.1 million in 2H FY11

1 Based on net proceeds of equity raising of $51.6 m (post $1.8 m transaction costs)

Equity Raising
Overview

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Offer size	▪ SKILLED Group to raise approximately \$53.4 million through a fully underwritten 1 for 6 accelerated non renounceable entitlement offer (Entitlement Offer)
Offer Price	▪ Fixed Offer Price of \$1.68 per New Share ▪ 9.7% discount to SKILLED Group closing price on Tuesday 22 February 2011 ▪ 8.4% discount to TERP[1]
Institutional Entitlement Offer and Bookbuild	▪ Institutional Entitlement Offer and Institutional Bookbuild to raise approximately \$35 million conducted between Wednesday 23 February and Thursday 24 February 2011 ▪ Entitlements not taken up will be sold via the Institutional Bookbuild
Retail Entitlement Offer	▪ Retail Entitlement Offer opens Wednesday 2 March and closes Friday 18 March 2011 and is expected to raise approximately \$19 million ▪ Entitlements not taken up will be subscribed for by the Underwriter (or sub-underwriters engaged by the Underwriter)
Record Date	▪ 7:00pm (Melbourne time) on Monday 28 February 2011
Ranking	▪ New Shares issued under the Entitlement Offer will rank equally with existing shares

[1] Theoretical Ex-Rights Price (TERP) is the theoretical SKILLED share price post the equity raising which is weighted for the market capitalisation of SKILLED immediately before the announcement of the equity raising and the value of SKILLED shares to be issued under the equity raising which are issued at a discount

Equity Raising
Timetable

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Event	Date
Trading halt commences	Wednesday, 23 February 2011
Institutional Entitlement Offer and Institutional Bookbuild opens	Wednesday, 23 February 2011
Institutional Entitlement Offer and Institutional Bookbuild closes	Thursday, 24 February 2011
Shares recommence trading on the ASX	Friday, 25 February 2011
Record date (7:00pm Melbourne time)	Monday, 28 February 2011
Retail Entitlement Offer opens	Wednesday, 2 March 2011
Institutional Entitlement Offer and Institutional Bookbuild settlement	Thursday, 3 March 2011
Allotment and trading of New Shares issued under the Institutional Entitlement Offer and Institutional Bookbuild	Friday, 4 March 2011
Retail Entitlement Offer closes (5:00pm Melbourne time)	Friday, 18 March 2011
Allotment of New Shares issued under the Retail Entitlement Offer	Tuesday, 29 March 2011
New Shares issued under the Retail Entitlement Offer expected to commence trading	Wednesday, 30 March 2011

Note: The timetable is subject to change at SKILLED's absolute discretion. References to time and date are references to time and date in Melbourne, Australia. SKILLED reserves the right to withdraw or vary the timetable without notice.

Key risks

There are a number of factors, both specific to SKILLED and of a general nature, which may affect the future operating and financial performance of SKILLED and the value of an investment in SKILLED. Some of these factors can be mitigated by appropriate commercial action. However, many are outside the control of SKILLED, are dependant on the policies adopted and approaches taken by regulatory authorities or otherwise cannot be mitigated.

Before deciding whether or not to make an investment in SKILLED under the Issue, you should carefully consider these risk factors as well as all other information in this Presentation and publicly available information about SKILLED (such as that available on the website of SKILLED and ASX) . If you are in any doubt about the appropriate course of action to take, you should obtain professional advice from your accountant, stockbroker, financial planner, solicitor or other professional advisor.

General Risks

General economic climate

SKILLED's future revenues and operating costs can be affected by such factors as supply and demand for goods and services, industrial disruption, interest rates, currency fluctuation, inflation, business and consumer confidence, stability in the banking system and global economic and financial conditions. Accordingly, the future profitability and Share prices of SKILLED may be affected by these factors. These factors are beyond the control of SKILLED.

SKILLED hedges against interest rate and currency exchange rate fluctuations and therefore these factors are not considered likely to materially affect SKILLED's profitability in the short term. Longer term, however, fluctuations in interest rates and current exchange rates may have an impact on the profitability of SKILLED.

Stock market volatility

A number of factors affect the performance of the stock market. These are risks associated with any share investment which could also affect the price at which SKILLED shares trade on ASX. In particular, the share prices for many companies have in recent times been subject to wide fluctuations, which in many cases may reflect a diverse range of non-company specific influences . Therefore, once the New Shares are quoted on ASX, the price of the New Shares are quoted on ASX, the price of the New Shares may rise or fall due to numerous factors including:

- movements on international stock markets and international economic conditions;
- general economic conditions, including inflation rates, interest rates and the availability of credit;
- business and consumer confidence and stability in the banking system;
- variations in the price of shares generally in the business section in which SKILLED operates whether in response to investor sentiment, financial performance of the sector or other factors;

Equity Raising
Key risks (continued)

Stock market volatility (continued)

- changes to government policy, legislation or regulation;
- general operational and business risks (including risks associated with employee payment and client invoicing systems);
- the price of oil and gas;
- changes in tax and laws; and
- global hostilities and tensions, acts of terrorism.

Moreover, the share prices for many companies with smaller capitalisations often exhibit greater volatility due to lower share liquidity, lower market familiarity with these companies and greater volatility of underlying company earnings. Additionally, the performance in the price of SKILLED shares may be impacted by their inclusion in or removal from major market indices.

SKILLED's market performance could be materially adversely affected by any such market fluctuations or factors. None of SKILLED, its Directors or any other person guarantees SKILLED's market performance.

Changes in government policy and laws

Changes in government policy (such as in relation to workplace relations and taxation) or other statutory changes may affect SKILLED and the value of an investment in SKILLED.

Global security environment

Outbreak of hostilities or a material escalation of hostilities including a declaration of war in major countries in the world or terrorist acts perpetrated on any major countries or any diplomatic, military, commercial or political establishment of any major countries anywhere in the world may affect the global economic and commercial environment and in turn affect SKILLED's future revenues and operating costs and New Share price.

Taxation

The potential tax and social security effects relating to the issue to the holder of New Shares will vary between Shareholders. Shareholders should satisfy themselves of possible tax consequences by consulting their own tax or other professional advisers.

Equity Raising
Key risks (continued)

Risks Related to the Business of SKILLED

Downturn in the recruitment and human resource consulting industry

SKILLED's revenue and growth is susceptible to any downturn in the labour hire, recruitment and human resources industry. In turn, the labour hire recruitment and human resources industry is susceptible to any economic or political changes that lead to a decreased demand for workers. SKILLED's financial performance could be affected by downward movements in the economic and labour market conditions.

Key contracts and business relations

In the recruitment and human resource consulting industry, contracts for the provision of temporary placement and labour hire are generally terminable on short notice. SKILLED has fixed term contracts with the majority of its significant customers. However, these contracts can be terminated on notice prior to the expiry of the fixed term. The financial performance of SKILLED is therefore susceptible to the loss of one or more major contracts or clients.

Competition

SKILLED's business is susceptible to competition in the Australian labour hire recruitment and human resources market from participants that operate in specific sectors and diversified participants providing services across various sectors and industries. Additionally, competitive pricing strategies and demands from high value clients seeking preferred supplier agreements, may impact on SKILLED's profit margins and market share.

Goodwill and impairment testing

A portion of SKILLED's total assets is goodwill accumulated through the acquisition of businesses over several years. Accounting standards require SKILLED to test for any impairment of the goodwill on an annual basis or more frequently if events or changes in circumstances indicate that the carrying value might be impaired. The carrying value is tested against discounted future cashflows generated by each cash generating unit. A number of variables, both within and outside management's control, affect the discounted future cash flows. These include business and economic conditions, management's assessment of future cash flows and the weighted average cost of capital.

Reliance on key personnel

There can be no assurance that SKILLED will be able to retain key personnel and the departure of such personnel may affect adversely the business until suitable replacements are recruited. SKILLED endeavours to ensure that it remains competitive in terms of remuneration and other incentives, and reviews employee incentive arrangements from time to time with a view to aligning management’s and employees' interests with those of SKILLED and its Shareholders.

Equity Raising
Key risks (continued)

Industry risks

SKILLED has a number of inherent risks associated with its businesses, including liability associated with occupational health and safety and workers' compensation, risks associated with industrial disputes, adverse outcomes in relation to the negotiation of industrial awards, agreements and other instruments, and risks associated with liability resulting from insufficient contractual protections. SKILLED is also subject to the risk of not being able to engage sufficient employees to meet market demand. These risks are not isolated to SKILLED, but rather are typical to the labour hire, recruitment and human resources industry.

Regulatory factors

SKILLED is susceptible to government legislative, policy and/or regulatory changes that relate to employment and migration laws. These changes may impact on SKILLED's future revenue streams and profitability.

Other risks

SKILLED is also susceptible to a number of other general risks related to the business of SKILLED which may impact on SKILLED's financial performance such as:

- exposure to bad debts ;
- IT systems failure;
- the risk of litigation, and in particular the risk of liability for claims and the costs of defending claims;
- The risk of prosecution for legislative or regulatory breaches; and
- capital inadequacy to fund continuing operations.

Equity Raising
International offer restrictions

This document does not constitute an offer of securities in any jurisdiction in which it would be unlawful. New Shares may not be offered or sold in any country outside Australia and New Zealand except to the extent permitted below.

Hong Kong

WARNING: This document has not been, and will not be, registered as a prospectus under the Companies Ordinance (Cap. 32) of Hong Kong (the "Companies Ordinance"), nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong by means of any document, other than:

- to "professional investors" (as defined in the SFO); or
- in other circumstances that do not result in this document being a "prospectus" (as defined in the Companies Ordinance) or that do not constitute an offer to the public within the meaning of that ordinance.

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person allotted New Shares may sell, or offer to sell, such shares in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such shares.

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice.

Malaysia

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Equity Raising
International offer restrictions

United Kingdom

Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Services Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares. This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of FSMA) in the United Kingdom, and the New Shares may not be offered or sold in the United Kingdom by means of this document, any accompanying letter or any other document, except in circumstances which do not require the publication of a prospectus pursuant to section 86(1) FSMA. This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) received in connection with the issue or sale of the New Shares has only been communicated or caused to be communicated and will only be communicated or caused to be communicated in the United Kingdom in circumstances in which section 21(1) of FSMA does not apply to SKILLED.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) (investment professionals) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this document relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

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This document may not be released or distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 and may not be offered or sold in the United States except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

Agenda

First 100 days and results summary

SKILLED “re-Engineering”

HY11 results overview

Equity Raising

Appendices

HY11 Results Overview
Segment performance

$M	Sales		Underlying EBITDA		Underlying EBIT	
	1H11	1H10	1H11	1H10	1H11	1H10
Workforce Services	468.6	414.6	20.1	18.8	17.2	16.0
Other Staffing Services	210.8	174.0	10.0	8.0	4.1	5.0
Engineering and Marine Services[1]	232.4	231.3	20.5	11.8	19.5	10.9
Business Services (Excelior)	25.6	28.6	0.8	2.7	(0.4)	1.0
Business Unit Performance	**937.4**	**848.5**	**51.4**	**41.3**	**40.4**	**32.9**
Unallocated / Eliminations	(1.5)	(1.7)	(8.7)	(7.7)	(9.6)	(8.2)
Group Performance[1]	**935.9**	**846.8**	**42.7**	33.6	**30.8**	24.7

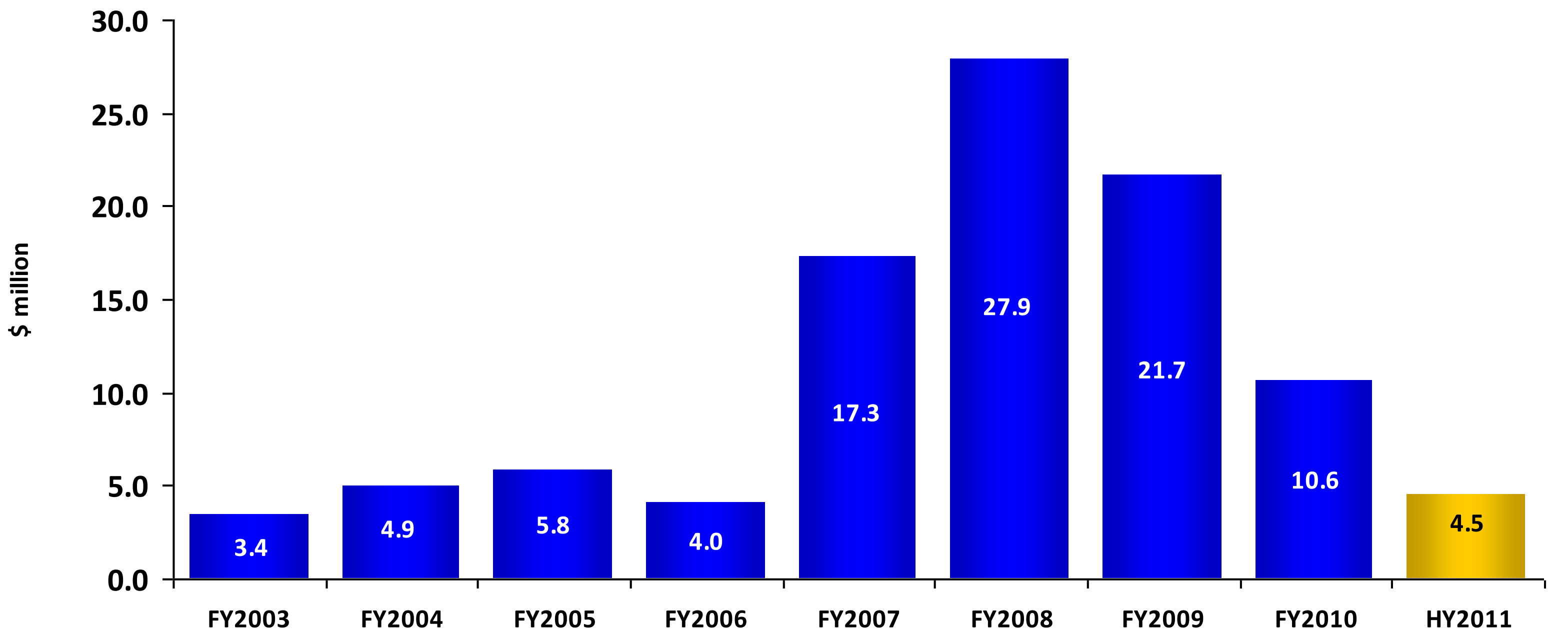
[1] includes equity accounted income for OMSA JV

HY11 Results Overview
Summary of underlying adjustments

$M	Before tax	After tax
Restructuring costs	1.7	1.2
Costs associated with discontinued sale process of Swan Contract Personnel[1]	0.9	0.6
Asset impairment – goodwill (non cash)[2]	12.5	12.5
Notional interest on earn-out liabilities (non cash)	0.6	0.6
Amortisation of intangible assets (non cash)	1.2	0.9
TOTAL	**16.9**	**15.8**

[1] includes incremental internal expenses of $0.3m inclusive of staff retention payments
[2] Longhill $2.8m; Skilled NZ $1.7m; Extraman $8.0m

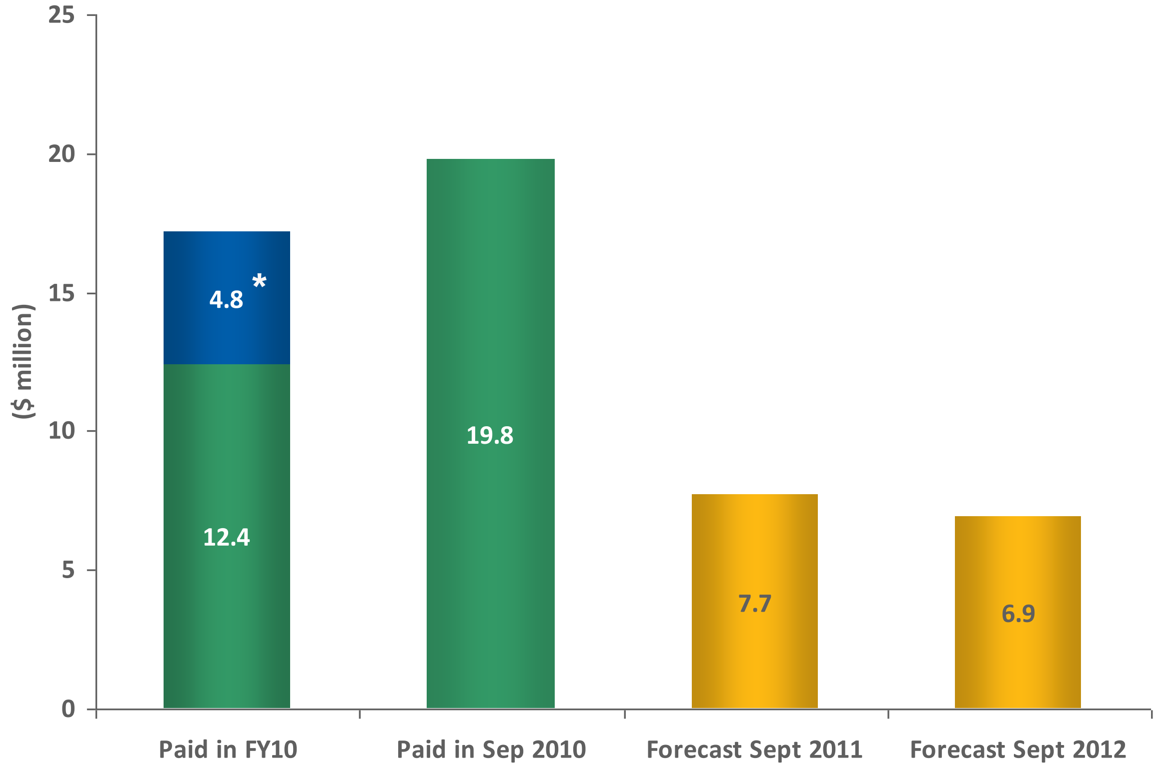
Capital expenditure



Approximately $33 million invested on Enterprise System (Agresso)

SKILLED Group

Acquisition earn out payments (nominal)



Relevant Acquired Businesses	Paid in FY10	Paid in Sep 2010	Forecast Sept 2011	Forecast Sept 2012
	• OMS Australia • OMS NZ • OMS Internat'l • Tradeforce NZ	• OMS UK • OMS Internat'l • OMS Australia • OMS NZ	• OMS UK • OMS International	• OMS UK • OMS International

* $4.8m earn out payment to OMS Australia vendor settled via issue of equity