



**PASSIONATE
ABOUT
PEOPLE**

SKILLED Annual General Meeting
24 October 2006

SKILLED Group

Annual General Meeting

safety • integr
• knowledge
people • inno
specialist skills •



Ken V Loughnan AO
Chairman

Highlights

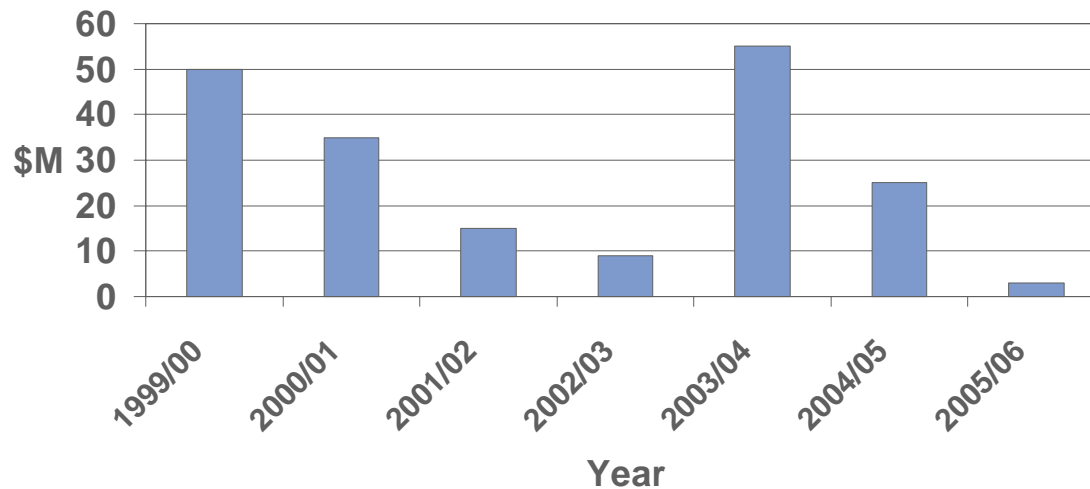
safety • integr
• knowledge
people • inno
specialist skills •

- Sales revenue increased by 16% to \$968.4 million
- Earnings before Interest, Tax, Depreciation, Amortisation (EBITDA) of \$47.5 million was a 36% improvement on 2005 trading performance
- Net profit after tax of \$24.7 million
- EPS of 24 cents per share
- Reduced lost time injury frequency rate (LTIFR) to 1.1
- Final dividend 12 cents per share – annual dividend 19 cents per share fully franked

Balance Sheet

safety • integr
• knowledge
people • inno
cialist skills •

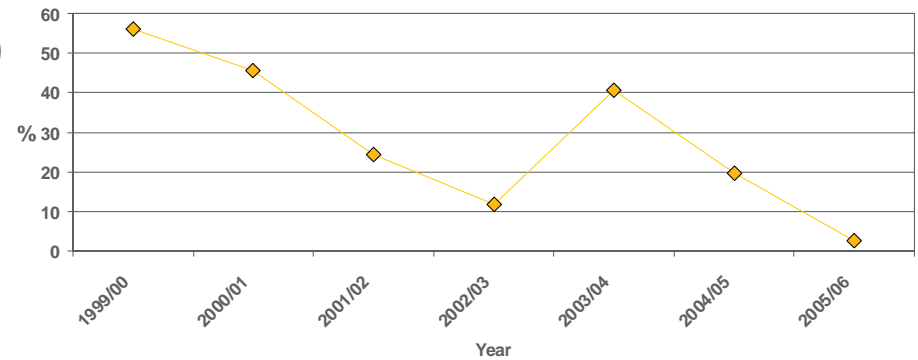
- Net debt of \$3 million (compared to \$25 million at 30 June 2005)



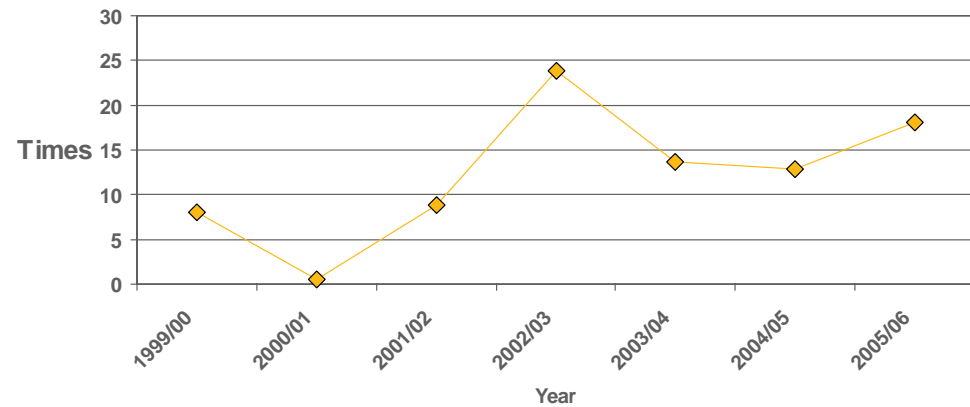
Balance Sheet

safety • integr
• knowledge
people • inno
cialist skills •

- Gearing (net debt : net debt + equity) of 2.7% compared to 19.6% at 30 June 2005



- Interest cover 18.1 times (12 months rolling)



Acquisition of TESA and Catalyst

safety • integr
• knowledge
people • inno
specialist skills •

- TESA acquisition completed 31 August 2006 at a cost of \$62 million
- Catalyst acquisition expected to be completed mid November (currently hold 97.7%) at a cost of \$55 million
- To accommodate these acquisitions, SKILLED has increased its secured debt facilities by \$75 million to \$160 million
- Interest cover for 2006/07 expected to be around 5.0 times and gearing at 30 June 2007 expected to be around 47%
- These acquisitions meet our over-riding objective to increase shareholder value and will be EPS accretive in 2006/07

Corporate Governance

safety • integr
• knowledge
people • inno
specialist skills •

- Board commitment to achieving highest standards of corporate governance
- Board and Committee structure

Remuneration Report

safety • integr
• knowledge
people • inno
specialist skills •

- Non-Executive Directors' remuneration
- Executive remuneration
 - philosophy
 - strategy
 - fixed remuneration
 - short term incentive
 - long term incentive

The SKILLED Team

safety • integr
• knowledge
people • inno
specialist skills •

- 2005/06 year has been one of significant achievement
- Strong Board working as a team
- Strong management

Annual General Meeting

safety • integr
• knowledge
people • inno
specialist skills •



Ken V Loughnan AO
Chairman

Annual General Meeting

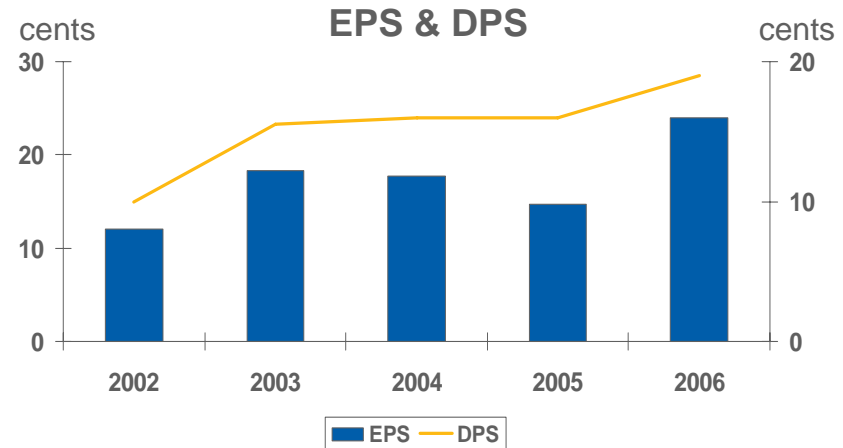
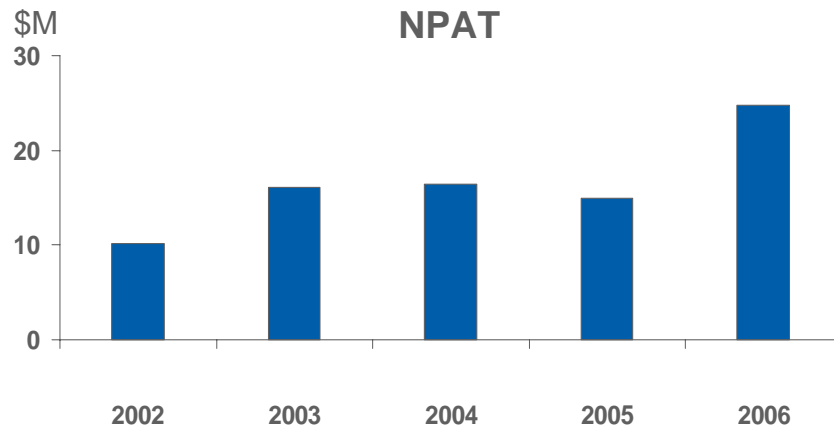
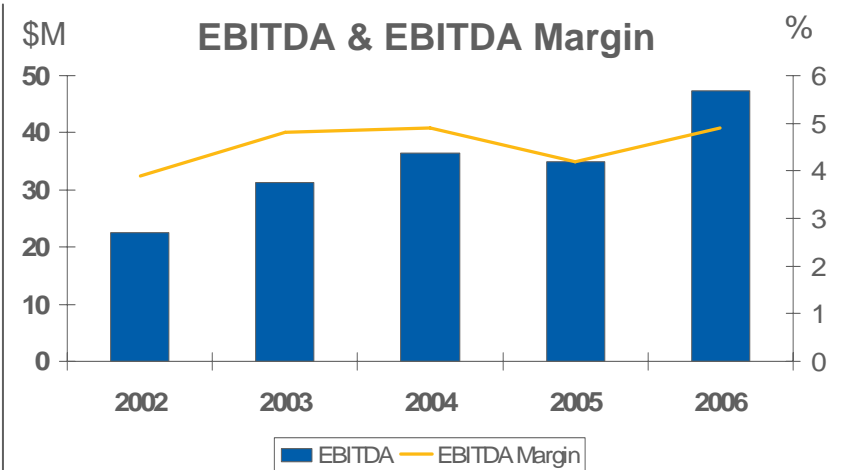
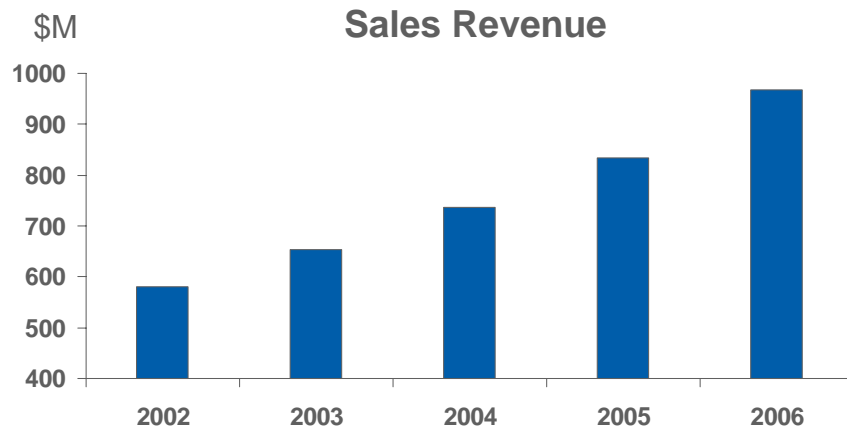
safety • integr
• knowledge
people • inno
specialist skills •



Greg M Hargrave
Managing Director & Chief Executive Officer

Strong Financial Performance over last 5 years

safety • integr
• knowledge
people • inno
cialist skills •



*2005 restated for AIFRS and excludes profit on divestment

Commercial in Confidence

SKILLED Group

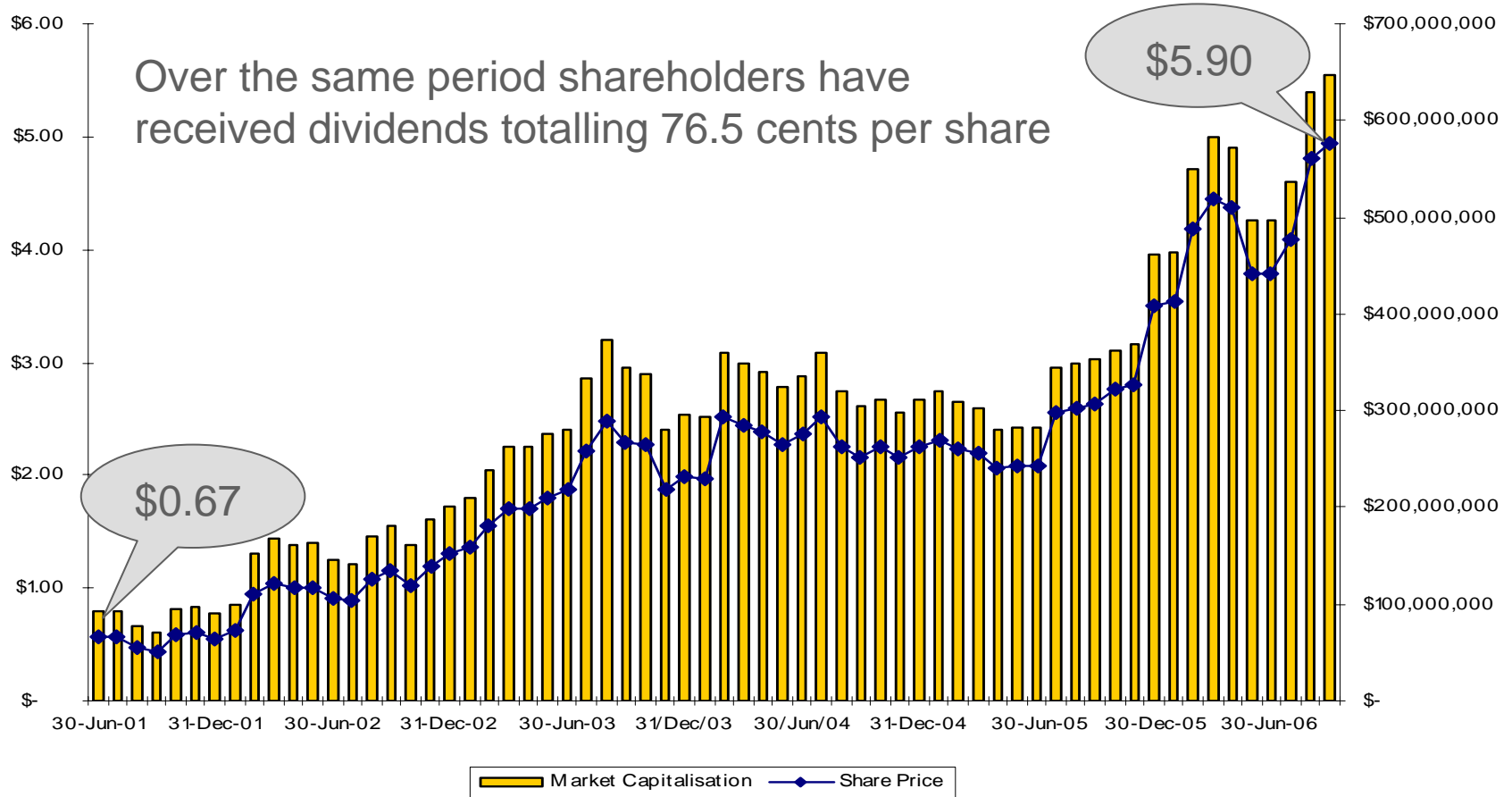
In 2005/06 SKILLED Group delivered...

safety • integr
• knowledge
people • inno
specialist skills •

- Fifth consecutive year of growth
- Strong contribution from Extraman business (acquired Jul 05)
- Major roll out of PeopleCo business
- Increased margins through improved service delivery
- Strong operating cash flow of \$37.6 million
- In 06/07 we acquired the TESA Group and Catalyst Recruitment

Over the last five years our share price has increased by more than 700%

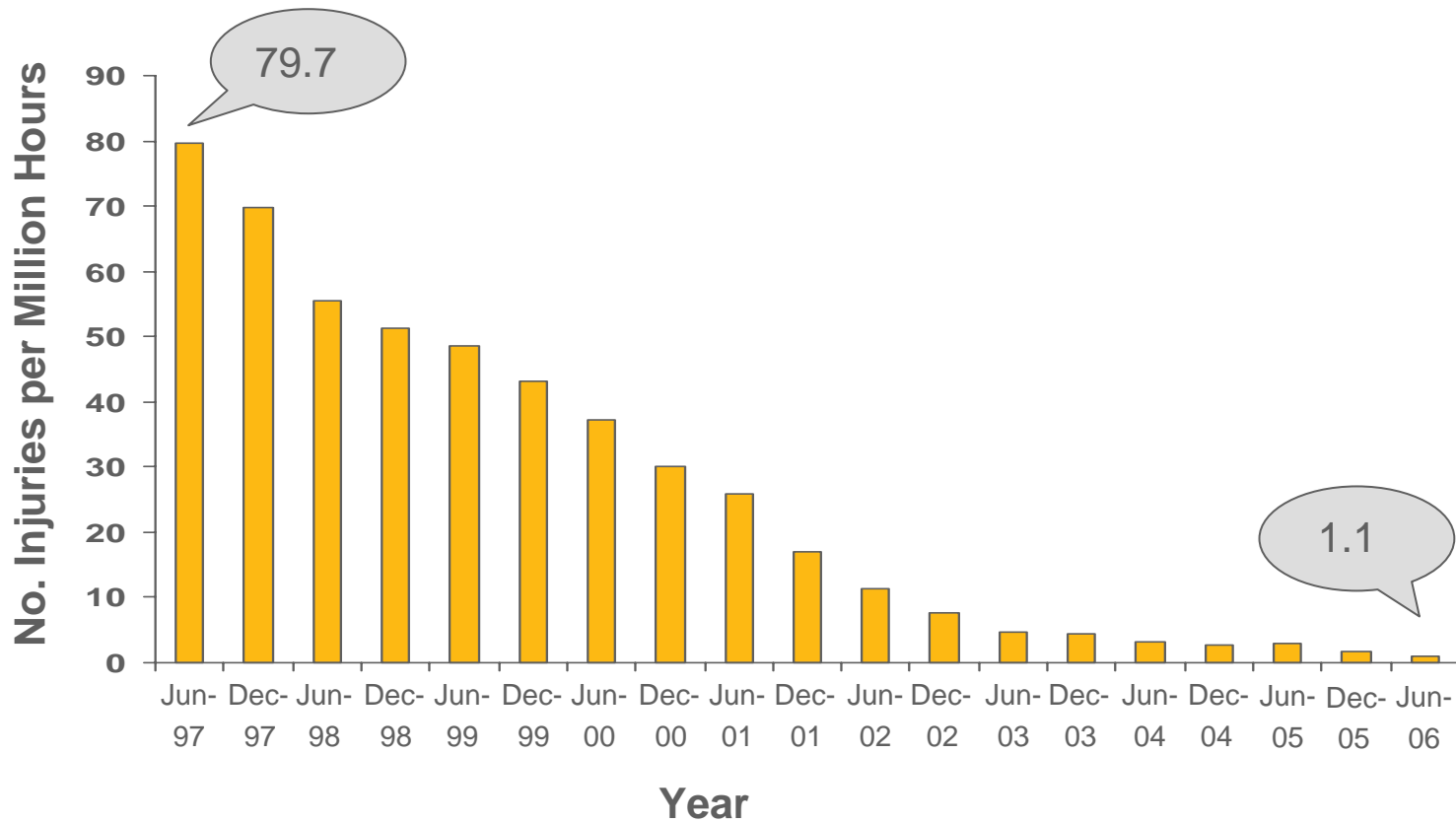
safety • integr
• knowledge
people • inno
socialist skills •



SKILLED Group is the industry leader in safety

safety • integr
• knowledge
people • inno
cialist skills •

Since June 1997 we have improved our LTIFR by 98.6%



We have been investing in the future

safety • integr
• knowledge
people • inno
specialist skills •

Increasing our capability

People



- Investment in operational management depth
 - industry experience
- Development of senior executive capability
 - appointment of functional experts
 - leadership programs
 - talent management

Infrastructure

- Investment in IT systems
- Continuous improvement strategies
- Common staffing services platform:
 - systems
 - processes

Our recent acquisitions are a good fit with our existing staffing services business

safety • integr
• knowledge
people • inno
specialist skills •

	 (privately owned)	 (publicly listed)
Date of Ownership	<ul style="list-style-type: none"> ● 1 September 2006 	<ul style="list-style-type: none"> ● 2 October 2006
Cost	<ul style="list-style-type: none"> ● \$62 million ● funded through debt 	<ul style="list-style-type: none"> ● \$55 million ● funded through debt
New staffing services industry sectors	<ul style="list-style-type: none"> ● black coal mining 	<ul style="list-style-type: none"> ● wine, bottling & packaging ● warehousing
Client base	<ul style="list-style-type: none"> ● minimal client crossover ● sector leader 	<ul style="list-style-type: none"> ● minimal client crossover ● long term relationships
Synergy Benefits	<ul style="list-style-type: none"> ● \$1 million by end of year two 	<ul style="list-style-type: none"> ● \$2 million by end of year two
Financial Impact	<ul style="list-style-type: none"> ● EPS accretive from year one 	<ul style="list-style-type: none"> ● EPS accretive from year one

We have the capability to ensure a smooth integration

safety • integr
• knowledge
people • innc
specialist skills •

- we have invested in our people to ensure we have capability and expertise to integrate businesses
- two integration teams with separate project managers established
- Ernst & Young appointed to provide professional integration advice
- our priority is to ensure a smooth transition for our clients, employees and staff from both businesses

SKILLED Group Today

safety • integr
• knowledge
people • inno
specialist skills •

SKILLED Group



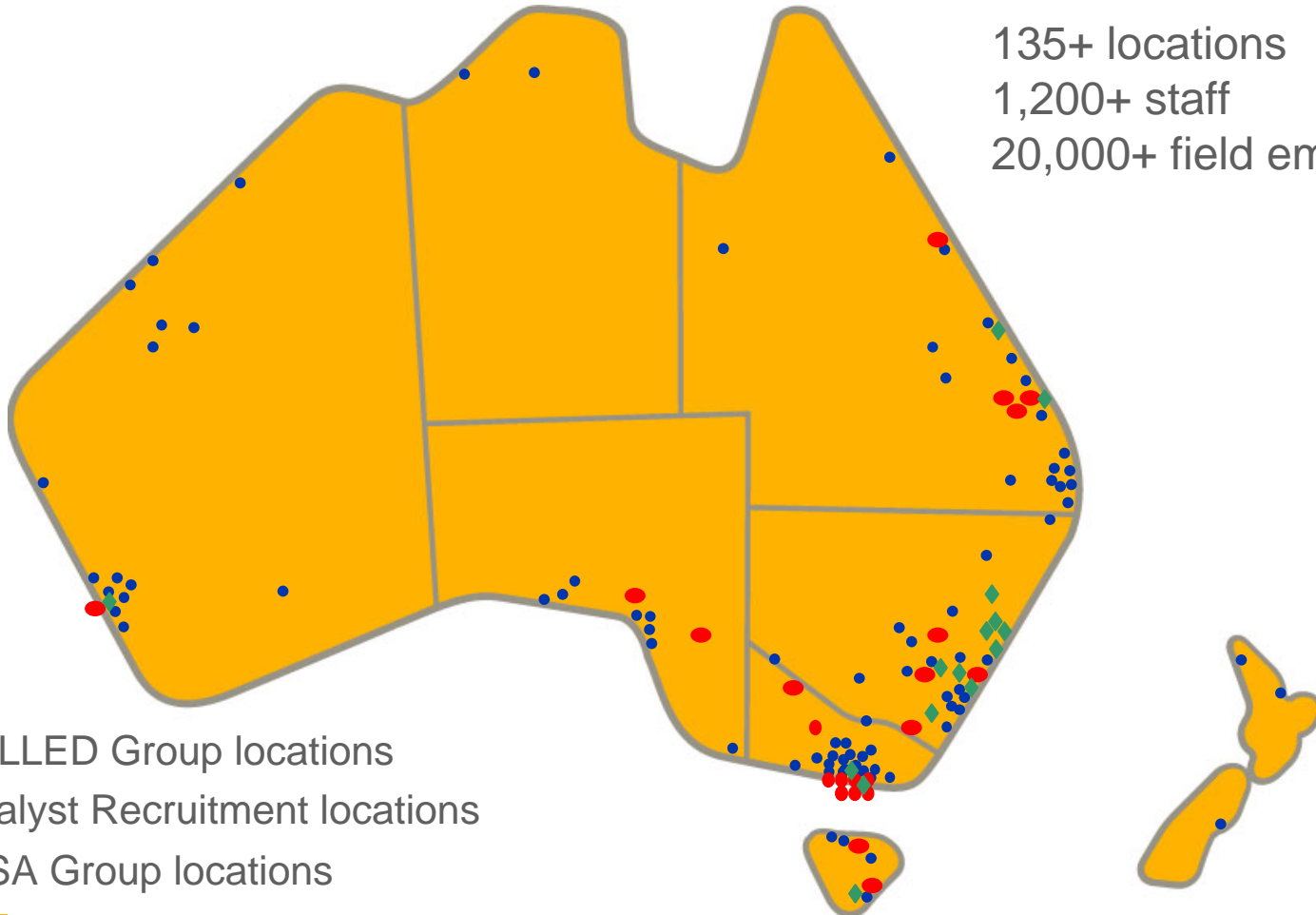
SKILLED Group also operate **SEM Fire and Rescue** which provides vehicle solutions to the emergency services sector



The pre-eminent provider of staffing services across Australasia

safety • integr
• knowledge
people • inno
specialist skills •

135+ locations
1,200+ staff
20,000+ field employees

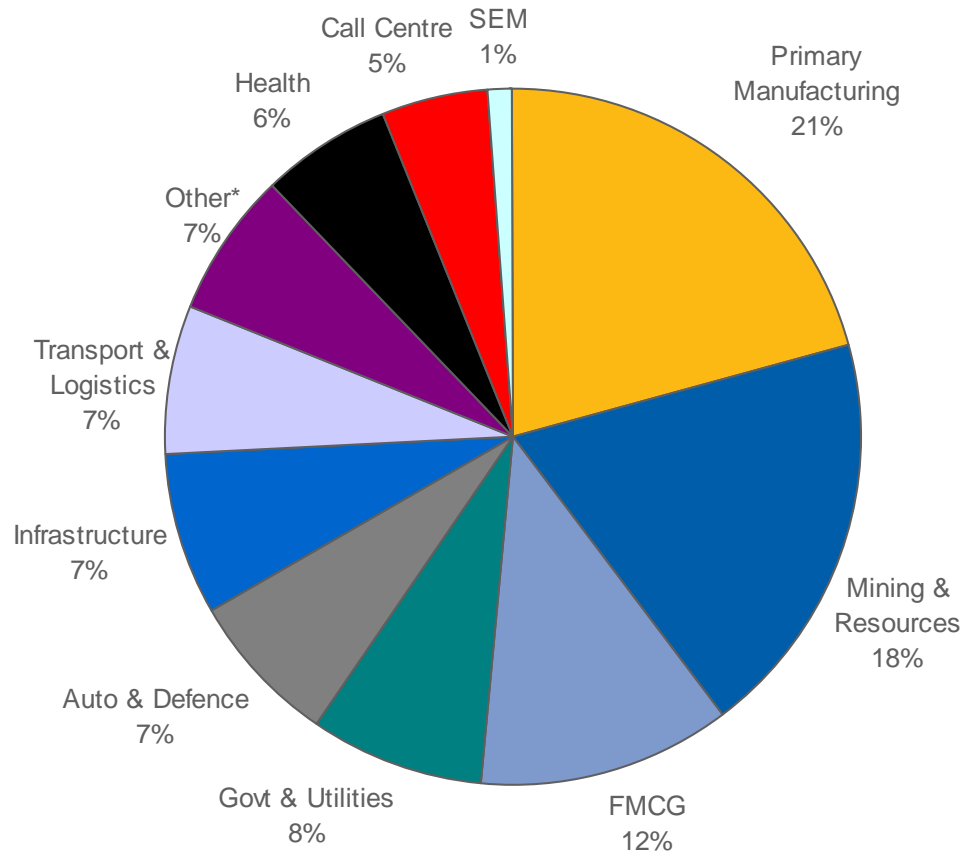


- SKILLED Group locations
- Catalyst Recruitment locations
- ◆ TESA Group locations

We have a clear industry focus

safety • integr
• knowledge
people • inno
cialist skills •

SKILLED Group Industry Segmentation



* based on normalised 2006 revenue

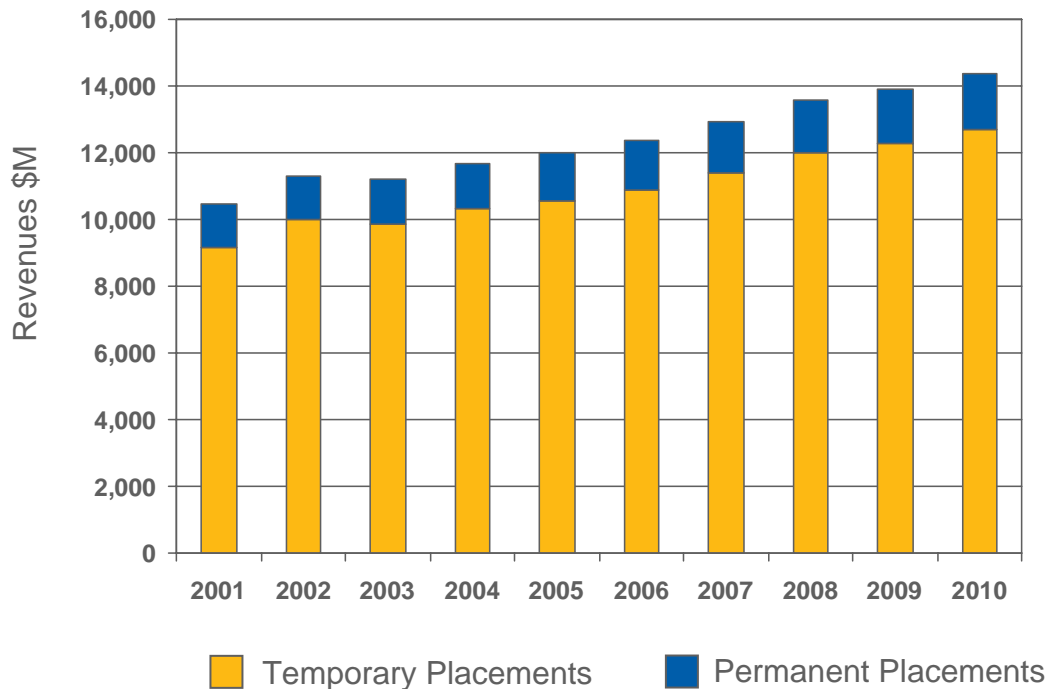
Commercial in Confidence

SKILLED Group

Australia's Staffing Services Industry continues to grow

safety • integr
• knowledge
people • inno
specialist skills •

Historical & Forecast Industry Revenues
2001-2010 (F)



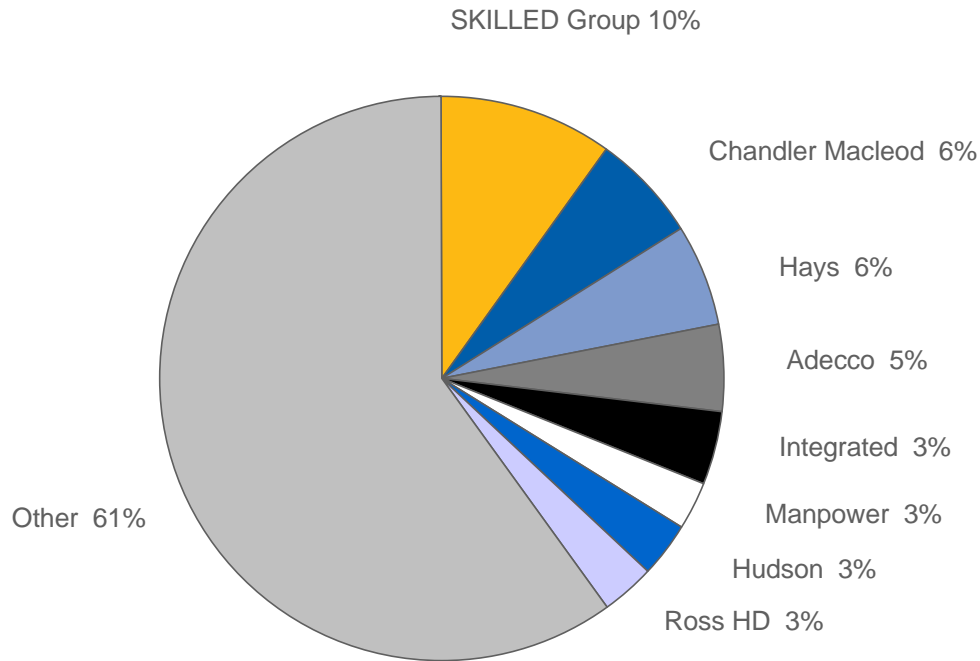
- Staffing Services Industry revenues of \$13 billion in 2006-07
 - 88% of industry revenues generated by the Temporary Placements Services sector
- Forecast to grow by \$2 billion or 16% over the next 4 years

Source: IBISWorld

SKILLED Group is well positioned to continue the market consolidation

safety • integr
• knowledge
people • inno
cialist skills •

Staffing Services Industry Market Share Estimates*



- Estimated market share of 10.1%
 - Based on combined SKILLED Group, TESA and Catalyst 2006 total revenues as proportion of total 2006 Staffing Services Industry revenues (contract plus permanent)

*Based on 2006 total revenues as proportion of total 2006 Staffing Services Industry revenues (contract plus permanent)

Source: IBISWorld; BRW; Shortlist; internal analysis

Future staffing services industry growth will be fuelled by increasingly sophisticated client needs

safety • integr
• knowledge
people • innc
specialist skills •

- Ability to attract and retain scarce resources
- Demonstrating exceptional safety and IR capability
- Companies seeking workforce productivity partners v. lowest price labour providers
- Increasingly moving from a commodity to value add based industry
- Ability to provide consistency through national supply



Providing productivity solutions to more than 400 of Australia's top 2000 companies

Our Outlook

safety • integr
• knowledge
people • inno
specialist skills •

- Continue to increase market share through:
 - organic growth
 - further acquisitions
- Integrate TESA and Catalyst Recruitment acquisitions
- Labour skill shortages creates opportunities for SKILLED Group
- Organic 2007 EBITDA growth forecast up 10 – 15% from \$47.4 million
- Incremental EBITDA from acquisitions of approximately \$10 million (annualised EBITDA pre synergies and one off costs of \$15 million)
- Total EBITDA forecast between \$62 million and \$65 million.

Summary

safety • integr
• knowledge
people • inno
specialist skills •

- SKILLED Group has a clear strategic direction focused on providing specialised staffing services
- Positive outlook for 2007
- Good opportunities for organic growth
- Well positioned to continue to be a consolidator within fragmented staffing services industry

Annual General Meeting

safety • integr
• knowledge
people • inno
specialist skills •



Greg M Hargrave
Managing Director & Chief Executive Officer

Annual General Meeting

safety • integr
• knowledge
people • inno
specialist skills •



Ken V Loughnan AO
Chairman

Item 1

safety • integr
• knowledge
people • inno
specialist skills •

To consider the Directors' Report, Financial Statements and Independent Audit Report for the financial year ended 30 June 2006.

Item 2

safety • integr
• knowledge
people • inno
specialist skills •

To adopt the remuneration Report for the financial year ended 30 June 2006.

Item 3a

safety • integr
• knowledge
people • inno
specialist skills •

"That Mr R. J. Gartside, having retired in accordance with Clause 14.3 of the Company's Constitution, be re-elected as a Director."

Item 3b

safety • integr
• knowledge
people • inno
specialist skills •

“That Mr T.B. Janes, having retired in accordance with Clause 14.3 of the Company's Constitution, be re-elected as a Director.”

Item 4

safety • integr
• knowledge
people • inno
specialist skills •

"That the issue of equity securities under the Skilled Group Long Term Incentive Plan is approved as an exception to Listing Rule 7.1 of Australian Stock Exchange Limited."

Item 5a

"That, for the purposes of Listing Rule 10.14 of the Australian Stock Exchange Limited, approval be given to grant an option to Mr G.M.Hargrave, a Director of the Company, to subscribe for 368,000 fully paid shares in the Company pursuant to the Skilled Group Executive Long Term Incentive Plan and that approval be given to him exercising his option accordingly."

Item 5b

"That, for the purposes of Listing Rule 10.14 of the Australian Stock Exchange Limited, approval be given to grant an option to Mr J.B.Dixon, a Director of the Company, to subscribe for 469,000 fully paid shares in the Company pursuant to the Skilled Group Executive Long Term Incentive Plan and that approval be given to him exercising his option accordingly."

Item 5c

safety • integr
• knowledge
people • inno
specialist skills •

"That, for the purposes of Listing Rule 10.14 of the Australian Stock Exchange Limited, approval be given to grant an option to Mr T.B.Janes, a Director of the Company, to subscribe for 368,000 fully paid shares in the Company pursuant to the Skilled Group Executive Long Term Incentive Plan and that approval be given to him exercising his option accordingly."

Item 6

safety • integr
• knowledge
people • inno
specialist skills •

“The Company approves the acquisition by Gregory MacKenzie Hargrave of a ‘relevant interest’ in all of the shares in the Company held by Hedonsax Pty Ltd, a company owned by the Hargrave Family Trust, as described in the explanatory notes to the notice of meeting.”



**PASSIONATE
ABOUT
PEOPLE**

SKILLED Annual General Meeting
24 October 2006

SKILLED Group