2005/06 Half Year Review of Financial Results & Trading Performance

22 February 2006

SKILLED Group

Highlights

- Record half year sales and profit from trading operations
- Sales up 13.7% to $487m
- NPAT up 75% to $12.3m (excluding profit from divestments in 2004/05)
- EBITDA up 39.2% to $23.8m (excluding profit from divestments in 2004/05)
- EBITDA margin increase from 4.0% to 4.9%
- Core SKILLED Brand continued strong growth – particularly in mining and infrastructure
- First half contribution from Extraman in line with expectations
- Strong balance sheet provides capacity for future growth
- EPS increase of 66% to 12.1 cents per share from 7.3 cents per share HY0405 excluding profit from divestments
- Fully franked interim dividend 7.0 cents per share v 6.0 cents previously

Total Company – Headline Results

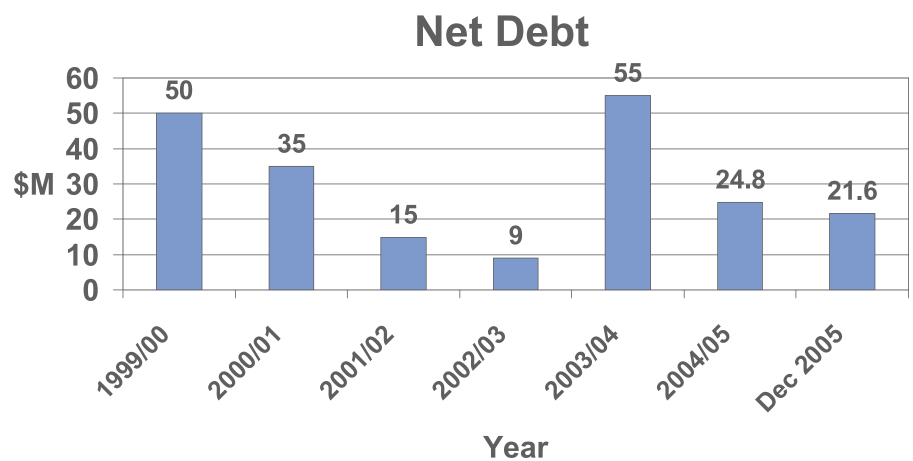
	HY 2005/06 A$M	HY 2004/05 * A$M	Change
Sales A$m	486.6m	428.3m	+13.7%
EBITDA A$m	23.8m	17.1m	+39.2%
EBITDA %	4.9%	4.0%	
EBIT A$m	19.4m	11.6m	+67.7%
EBIT %	4.0%	2.7%	
Net Profit after Tax A$m	12.2m	7.0m	+74.5%

Note: all 2004/05 numbers are restated as required for IFRS

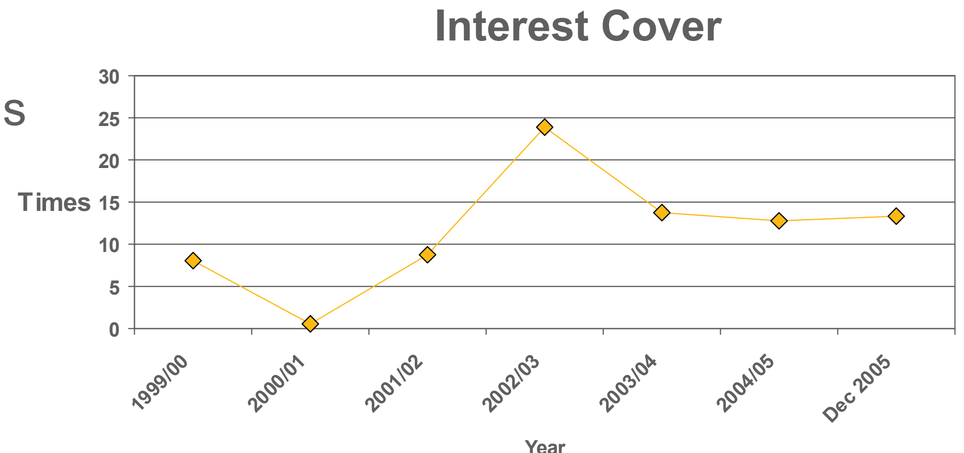
*excluding profit on divestments

Balance Sheet

- Net debt down to $21.6m from $24.8m at June 2005

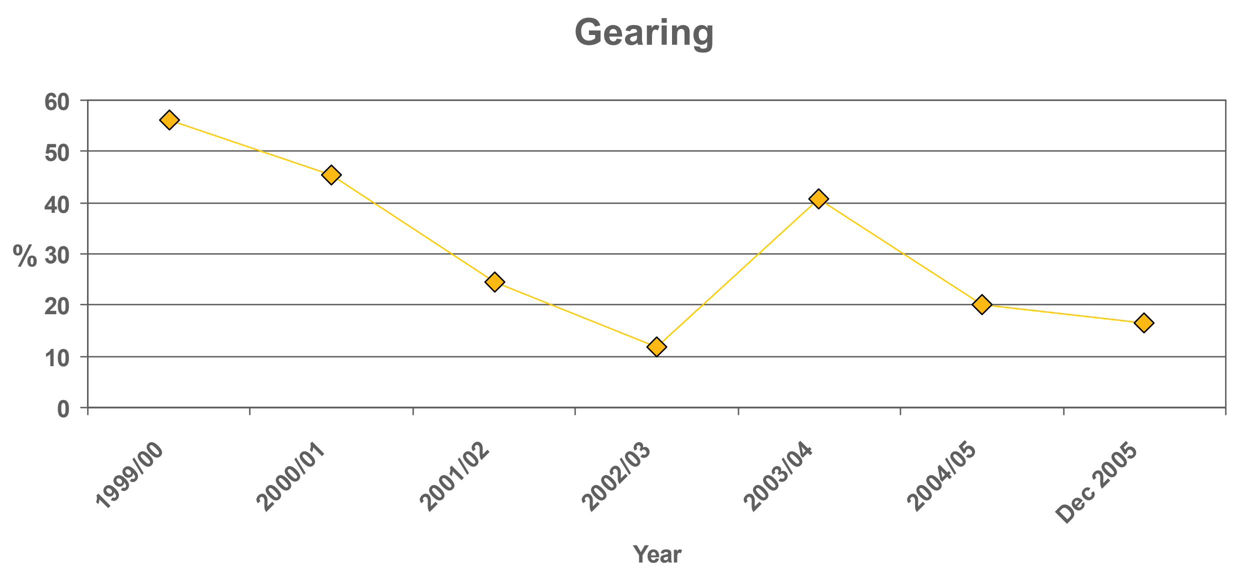


- Interest cover 13.3 times (12 months rolling)



Balance Sheet

- Gearing (net debt to net debt + equity) of 16.5%
- Compared to 20.2% at 30 June 2005



SKILLED Group Limited – Segment Reporting

SKILLED Brand

SKILLED

Other Brands

eXTRAMAN

origin healthcare

excelior
insourcing. outsourcing. resourcing

SEM Fire and Rescue
vehicles ■ design ■ technology ■ solutions

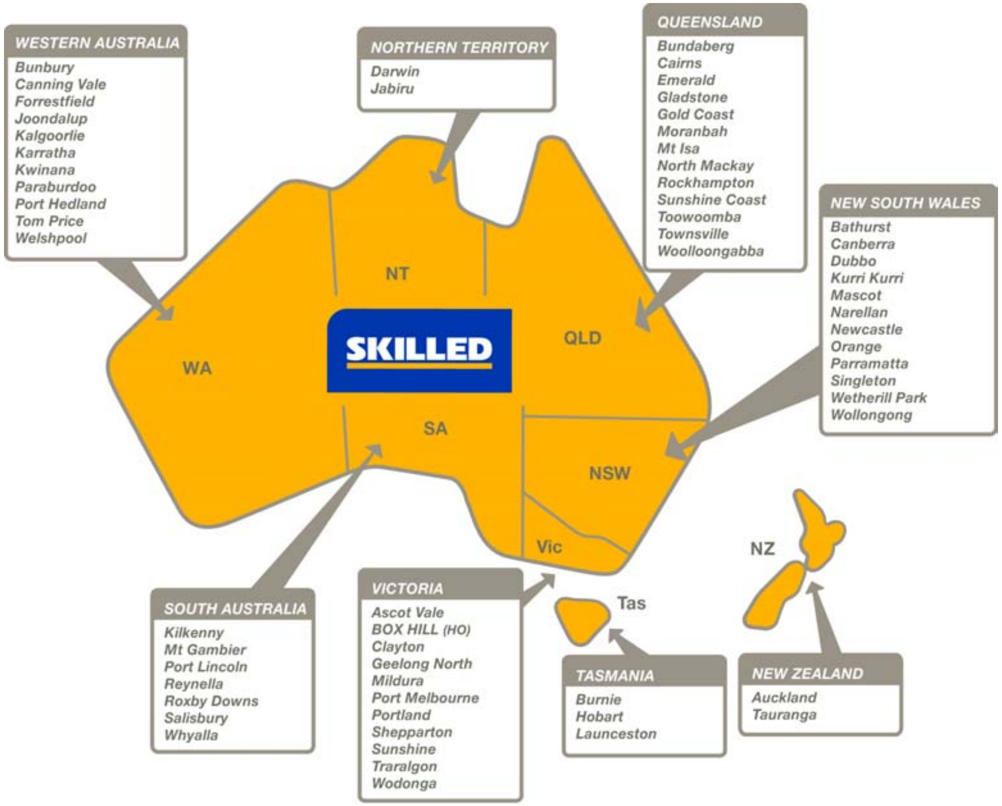
SKILLED Brand

SKILLED

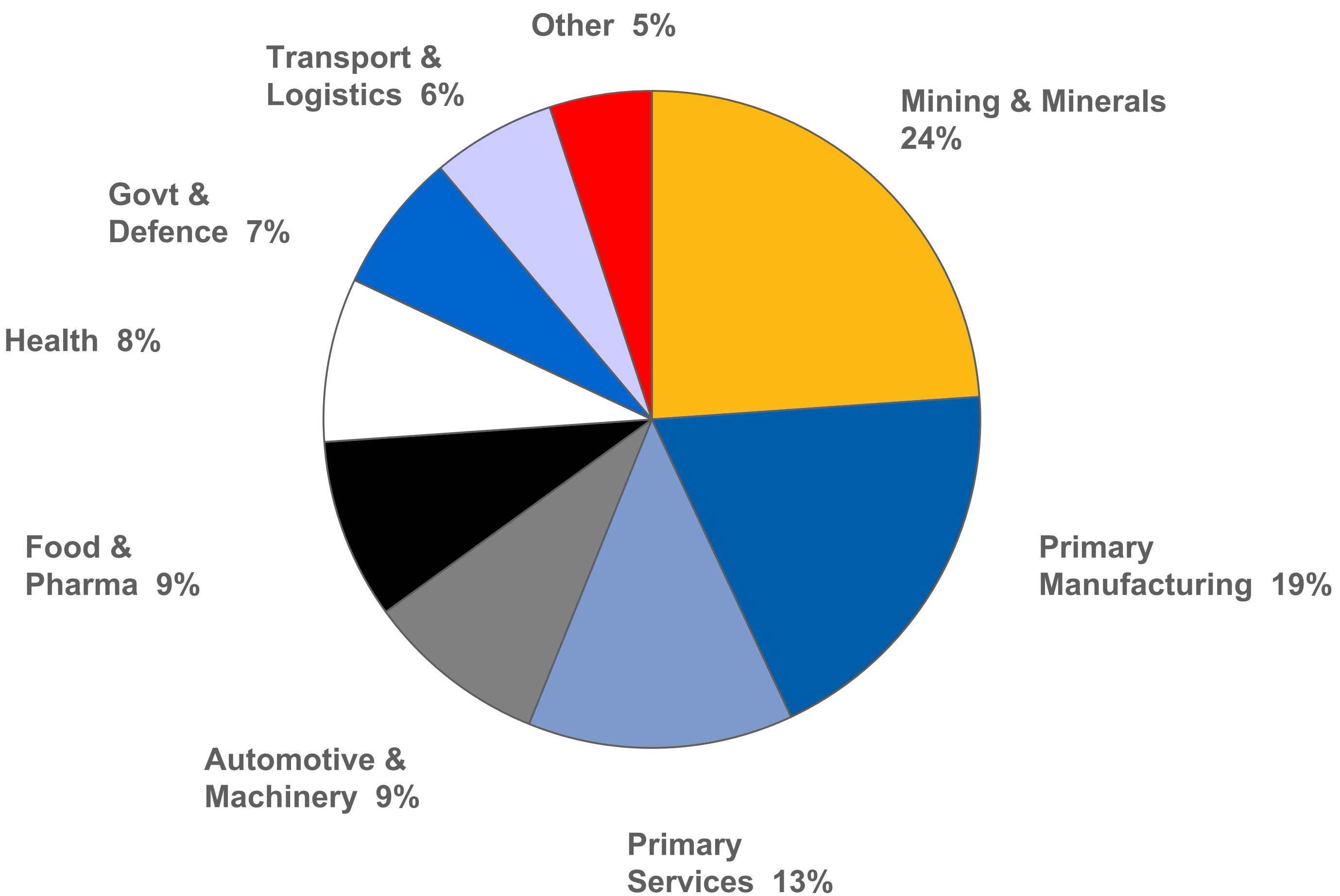
- Staffing services
- Labour hire – the provision of employees to a client to perform work as requested, at a place specified and managed by that client.
- Contracting services - where SKILLED undertakes managed projects or contracts to an organisation that has outsourced defined operational functions such as plant shut-downs or contract maintenance. Under this arrangement SKILLED is responsible for the delivery of a contract package including labour, plant, management and associated systems of work.
- Staffing related services:
  - Training & apprenticeships, OH&S, IR
- Industrial – concrete not carpet

SKILLED Brand has strong geographic, client and employee coverage

- National footprint - 59 branches across Australia and New Zealand
- Client base includes more than 250 of Australia's largest 1,000 companies
- We employ around 11,000 people each week



SKILLED Group Revenues by Market Sector



Revenues H1 2006

SKILLED Brand Results

	HY 2005/06 A$m	HY 2004/05 A$m	Change
Sales	365.0	315.5	+15.7%
EBITDA A$m	18.2	13.8	+32.4%
EBITDA %	5.0%	4.4%	
EBIT A$m	16.7	12.0	+38.6%
EBIT %	4.6%	3.8%	

SKILLED Brand

- Growth in share of existing client's spend
- Improved margins
- Strong sales growth across the board but particularly in WA and VIC in Mining/resources and Infrastructure
- Continued to focus on
  - Top Tier corporate clients; and
  - Placing employees in trades and technical services
- Continued growth of outsourced staffing services
  - Real focus on particular markets – ie mining, infrastructure
- How we achieved growth:
  - Focus on value proposition
  - Importance of OH&S
  - Consolidation of supplier base by major customers

Other Brands

EXTRAMAN

- Labour Hire
- Project Services

origin healthcare

- Labour Hire - nurses
- Staffing Solutions
- Technology Solutions
- Education

excelior – insourcing, outsourcing, resourcing

- Contract Centre Management
- Contact Centre
- Out-sourcing
- Labour Services
- Language Services
- Training

SEM Fire and Rescue – vehicles ■ design ■ technology ■ solutions

- Coach body builder & Workshop
- Design
- Manufacture

Other Brands - Origin Healthcare, Excelior, SEM, Extraman

	HY 2005/06 A$m	HY 2004/05* A$m	Change
Sales	122.2	113.2	+8.0%
EBITDA A$m	5.5	3.3	+66.4%
EBITDA %	4.5%	2.9%	
EBIT A$m	2.7	-0.4	
EBIT %	2.2%	-0.4%	

*including trading revenue from divested businesses

Revenue - Other Brands

	HY 2005/06 A$m	HY 2004/05 A$m	Change
Origin Healthcare	40.6	35.2	+15.3%
Excelior	33.7	32.0	+5.3%
Extraman	37.3	N/A	
SEM Fire and Rescue	9.2	10.6	-13.2%
Other (including revenue from divested businesses)	1.4	35.4	-96.0%
TOTAL	**122.2**	**113.2**	**+8.0%**

Other Brands

Excelior

- Sales up 5.3% to $33.7m
- Growth within existing customer base strong
- New business wins eg – significant Federal Government contract
- Burnie call centre operating at capacity

Other Brands

Origin Healthcare

- Sales up 15.3% to $40.6m mainly due to impact of Medistaff acquisition
- Key focus on attraction and retention of nurses
- Changes to management restructure made 12 months ago are starting to positively impact the business

Other Brands

Extraman

- Acquired in July 2005
- Sales $37.3m
- In-line with pre-acquisition expectations
- Key exposure to mining and resources and marine industries in WA, QLD and NT

Other Brands

SEM Fire and Rescue

- Sales $9.2m down 13.2% on previous corresponding period
- Order book full
- Expect stronger second half

Guidance

Guidance – FY 2005-06
Maintain Upgraded Guidance Issued in December 2005

Sales Revenue	Up 15% from $833.6m
Trading EBITDA	Up 20-25% from $34.9m
Forecast Depreciation & Amortisation	$9m

Summary

- Group performing strongly and expect this to continue in second half
- Improving margins
- Successfully replaced income stream from divested businesses through organic growth and acquisitions
- Strong balance sheet provides capacity for further growth (including potential acquisitions)
- Strong profit and dividend outlook