

13 February 2013

**SKILLED Group delivers 23% profit growth¹ from 4% revenue increase
Half Year Results for the six months ended 31 December 2012**

SKILLED Group (ASX: SKE), Australia's market leader in the provision of flexible labour solutions, today announced net profit after tax of \$28.2 million for the half year ended 31 December 2012, up 23% from the prior corresponding period (pcp) on a continuing business basis.

- Sales Revenue^{1,2} up 4.1% to \$973.6 million
- Reported NPAT of \$28.2 million, up 23.1% on a continuing business basis
- Underlying NPAT¹ up 17.4% to \$29.2 million
- Underlying EBITDA^{1,3} up 7.2% to \$48.7 million
- Operating cash flow (before tax) of \$15.9 million
- Net debt of \$67.1 million; gearing at 12.8%
- Interim dividend of 7.0 cps, fully franked, up from 5.0 cps

SKILLED Group CEO, Mr Mick McMahon said, "The Company's exposure to the higher growth sectors of the economy has helped offset the impact of continuing economic weakness in other parts of the business enabling revenue growth and improved profitability.

"We continue to make good progress on the next phase of our strategy with several process and system improvements being implemented across the business."

"We delivered cost savings of approximately \$5 million during the half and expect to deliver a total of \$10 million cost savings this financial year. We remain confident that the continued implementation of our strategy will deliver further sustained benefits in reduced costs and improved service over the next two to three years."

"Although economic conditions remain challenging, the Company's exposure to key industries, focus on highly skilled roles, healthy balance sheet and established pipeline of opportunities are expected to support revenue and EPS growth in FY13 and beyond."

Mr McMahon said that SKILLED continues to be the market leader in the provision of trades, experienced operators and technical professionals and about 54% of the Group's revenue is now generated from the mining and oil and gas sectors of the economy and on a geographic basis over 57% of our revenue is now generated in Western Australia and Queensland.

The Board has declared a fully franked interim dividend of 7.0 cents per share, up from 5.0 cents per share in the pcp. The Record Date for determining entitlements to the dividend will be 22 March 2013, with payment to be made on 12 April 2013.

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About SKILLED Group

SKILLED Group Limited is Australia's leading provider of labour hire and workforce services. SKILLED Group has 100 offices across Australasia with annualised revenues of around A\$1.9billion. SKILLED partners with clients to improve their workforce efficiency, enhance safety performance and increase productivity levels. SKILLED is listed on the Australian Securities Exchange (ASX: SKE) and has approximately 5,600 shareholders, predominantly in Australia.

¹ from continuing operations; ² Includes equity accounted income from OMSA JV ³ as per segment reporting in financial report