

ASX Announcement



14 February 2012

Reclassification of business segments

SKILLED Group will announce its 2012 Half Year Result on Wednesday 22 February 2012.

The following transactions and restructures have occurred during the first six months of the 2012 financial year which has resulted in the reclassification of certain business segments:

1. Sale of the Excelior, contact centre business in October 2011. This business, previously reported in the Business Services segment, will be classified as a discontinued operation.
2. Transfer of the Training Services business. This business, previously reported in the Business Services segment, will now be reported in the Other Staffing Services segment.
3. Sale of Tradeforce NZ announced in November 2011 and completed on 31 January 2012. This business, previously reported in the Workforce Services segment, will be classified as a discontinued operation.

The 1H12 results (and thereafter) will be reported under three operating business segments:

1. Workforce Services
2. Other Staffing Services
3. Engineering and Marine Services

To assist market participants in analysing the Company's results, please find attached a summary of the FY10 and FY11 financials reclassified as per the above changes.

For further information please contact:
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About SKILLED Group

SKILLED Group Limited is Australia and New Zealand's leading provider of labour hire and workforce services. SKILLED Group has over 120 offices across Australasia with annualised revenues around A\$1.9billion. SKILLED partners with clients to improve their workforce efficiency and increase their productivity levels and provides staffing services to the resources, industrial, healthcare and infrastructure sectors. SKILLED is listed on the Australian Stock Exchange (ASX: SKE) and has approximately 6,200 shareholders, predominantly in Australia.

SKILLED Group Ltd

Segment Note Restatement - Summary P&L

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Sales Revenue	Previously reported					
	1HFY10	2HFY10	FY10	1HFY11	2HFY11	FY11
Workforce Services	414.6	426.8	841.4	468.6	477.3	945.9
Other Staffing Services	174.0	176.4	350.4	210.8	211.2	422.0
Engineering & Marine Services ¹	231.3	228.0	459.3	232.4	232.5	465.0
Business Services	28.6	23.3	51.9	25.6	24.7	50.3
Segment Performance	848.5	854.5	1,703.0	937.4	945.7	1,883.1
Unallocated / Eliminations	(1.7)	(1.3)	(3.1)	(1.5)	(1.7)	(3.2)
Total / Continuing Business	846.8	853.2	1,699.9	935.9	944.0	1,880.0

Note 1 - Includes share of OMSA JV equity accounted profit

Continuing Businesses					
1HFY10	2HFY10	FY10	1HFY11	2HFY11	FY11
406.0	417.2	823.2	459.5	469.1	928.7
180.9	182.2	363.1	216.8	216.2	433.0
231.3	228.0	459.3	232.4	232.5	465.0
-	-	-	-	-	-
818.2	827.3	1,645.5	908.8	917.9	1,826.6
(1.7)	(1.3)	(3.1)	(1.5)	(1.7)	(3.2)
816.5	826.0	1,642.5	907.3	916.2	1,823.5

Underlying EBITDA	Previously reported					
	1HFY10	2HFY10	FY10	1HFY11	2HFY11	FY11
Workforce Services	18.8	20.7	39.4	20.1	22.2	42.3
Other Staffing Services	8.0	8.9	16.9	10.0	11.5	21.5
Engineering & Marine Services	11.8	13.6	25.5	20.5	13.2	33.7
Business Services	2.7	0.9	3.6	0.7	0.2	0.9
Segment Performance	41.3	44.0	85.3	51.3	47.1	98.5
Unallocated / Eliminations	(7.7)	(8.5)	(16.3)	(8.7)	(7.5)	(16.2)
Total / Continuing Business	33.6	35.5	69.1	42.7	39.6	82.3

Continuing Businesses					
1HFY10	2HFY10	FY10	1HFY11	2HFY11	FY11
18.8	20.7	39.5	19.9	22.4	42.3
9.3	9.9	19.2	10.7	11.8	22.5
11.8	13.6	25.5	20.5	13.2	33.7
-	-	-	-	-	-
40.0	44.2	84.2	51.1	47.4	98.5
(7.7)	(8.5)	(16.3)	(8.7)	(7.5)	(16.2)
32.3	35.7	67.9	42.5	39.9	82.3

Underlying EBIT	Previously reported					
	1HFY10	2HFY10	FY10	1HFY11	2HFY11	FY11
Workforce Services	16.0	17.6	33.6	17.2	18.8	36.0
Other Staffing Services	5.0	5.8	10.8	4.1	5.6	9.7
Engineering & Marine Services	10.9	12.0	22.9	19.5	12.0	31.5
Business Services	1.0	(0.7)	0.3	(0.4)	(1.6)	(2.1)
Segment Performance	33.0	34.6	67.5	40.4	34.8	75.2
Unallocated / Eliminations	(8.2)	(9.1)	(17.3)	(9.6)	(8.5)	(18.1)
Total / Continuing Business	24.7	25.5	50.2	30.8	26.3	57.1

Continuing Businesses					
1HFY10	2HFY10	FY10	1HFY11	2HFY11	FY11
16.1	17.6	33.8	17.0	19.0	36.0
6.3	6.8	13.1	4.9	5.9	10.7
10.9	12.0	22.9	19.5	12.0	31.5
-	-	-	-	-	-
33.4	36.4	69.8	41.3	36.9	78.3
(8.2)	(9.1)	(17.3)	(9.6)	(8.5)	(18.1)
25.1	27.3	52.4	31.7	28.4	60.2

Reported EBITDA	Previously reported					
	1HFY10	2HFY10	FY10	1HFY11	2HFY11	FY11
Workforce Services	17.9	18.2	36.0	7.2	19.8	27.0
Other Staffing Services	7.3	8.3	15.7	9.7	10.8	20.6
Engineering & Marine Services	11.4	13.5	24.9	20.5	12.8	33.3
Business Services	2.2	0.3	2.4	0.5	0.2	0.8
Segment Performance	38.8	40.3	79.1	38.0	43.6	81.6
Unallocated / Eliminations	(8.1)	(8.8)	(16.9)	(10.4)	(8.5)	(18.9)
Total / Continuing Business	30.7	31.4	62.1	27.6	35.1	62.7

Continuing Businesses					
1HFY10	2HFY10	FY10	1HFY11	2HFY11	FY11
18.0	19.9	37.8	8.7	20.0	28.7
8.6	9.3	18.0	10.5	11.1	21.6
11.4	13.5	24.9	20.5	12.8	33.3
-	-	-	-	-	-
38.0	42.7	80.7	39.7	43.8	83.5
(8.1)	(8.8)	(16.9)	(10.4)	(8.5)	(18.9)
29.9	33.9	63.8	29.4	35.3	64.6

Reported EBIT	Previously reported					
	1HFY10	2HFY10	FY10	1HFY11	2HFY11	FY11
Workforce Services	14.8	15.0	29.8	4.4	16.4	20.7
Other Staffing Services	4.1	5.1	9.2	3.7	4.7	8.4
Engineering & Marine Services	9.4	10.8	20.2	18.4	10.5	28.9
Business Services	0.5	(1.4)	(0.9)	(0.6)	(1.6)	(2.2)
Segment Performance	28.9	29.4	58.3	25.8	30.0	55.8
Unallocated / Eliminations	(8.6)	(9.4)	(18.0)	(11.3)	(9.5)	(20.8)
Total / Continuing Business	20.3	20.0	40.3	14.5	20.5	35.0

Continuing Businesses					
1HFY10	2HFY10	FY10	1HFY11	2HFY11	FY11
14.9	16.7	31.6	5.9	16.6	22.4
5.4	6.1	11.5	4.4	5.0	9.4
9.4	10.8	20.2	18.4	10.5	28.9
-	-	-	-	-	-
29.8	33.5	63.3	28.7	32.1	60.8
(8.6)	(9.4)	(18.0)	(11.3)	(9.5)	(20.8)
21.2	24.1	45.3	17.4	22.6	39.9

Divested Excelior Business CAPEX	CAPEX					
	1HFY10	2HFY10	FY10	1HFY11	2HFY11	FY11
CAPEX	0.8	1.3	2.2	1.0	0.7	1.7