Rubicor acquires Steelweld Personnel

- Expands Rubicor's presence in the WA resource and infrastructure sectors -

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Rubicor Group Limited (ASX: RUB), one of the leading recruitment services companies in Australia and New Zealand, today announced is has agreed to acquire Steelweld Personnel, a Perth-based recruitment business specialising in contract employment for skilled trades people.

Steelweld Personnel was established in 1980 and operates in the West Australian resources and infrastructure sectors, providing trades people to clients on a long and short term contract basis.

Rubicor will pay a total of $3.4 million consideration to acquire Steelweld Personnel. The acquisition is expected to be immediately EPS accretive for Rubicor and contribute approximately $2.2 million to FY08 EBITDA.

Wayman Chapman, Chief Executive Officer of Rubicor, said the acquisition of Steelweld Personnel expands Rubicor's presence in the West Australian economy and further diversifies the Group's earnings base.

"The existing owners will exit the business within 12 months, considerably faster than our usual acquisition model. It is because of this we are paying a lower valuation multiple than normal.

"The West Australian economy is dominated by the resources sector and the boom in resource related business is well documented. Through the acquisition of Steelweld Personnel Rubicor is expanding its presence in this high-growth area. The shortage of skilled trades people in the sector is particularly acute and is the biggest challenge facing the industry. It is a great opportunity for Rubicor.

"Providing skilled trades people on a contracting basis is a new area for Rubicor. Acquiring Steelweld Personnel increases Rubicor's depth, breadth and scale, and further diversifies our earnings base. We now have 20 specialist operating companies in the Rubicor group across a range of industries and sectors.

"The Rubicor senior management team and I look forward to working closely with Steelweld Personnel to continue its expansion in this fast-growing sector of the Australian economy. The business will maintain its unique branding and specialisation," he said.

Fred Fernandez, Managing Director of Steelweld Personnel, said he was delighted to be joining the Rubicor group of operating companies.

"By joining Rubicor, Steelweld Personnel will be able to maintain its specialisation, culture, and competitive advantages. Rubicor will provide the financial backing and administrative support to continue expanding the business in the high-growth resources and infrastructure sectors," he said.

The acquisition will be funded through existing cash balances and is expected to complete in October 2007. The acquisition remains subject to a number of conditions precedent, including there being no material adverse change in the business before completion. All such conditions precedent can be waived by Rubicor at its discretion.

Rubicor recently listed on the Australian Securities Exchange.

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For further information

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About Rubicor

Established in 2005, Rubicor operating companies bring together some of the best and most experienced people in the recruitment industry to offer search, selection, bulk recruitment, professional and support level contracting services and organisational development.

Rubicor operating companies are established organisations specialising in workforce solutions, recruitment and organisational development.

Each operating company possesses distinct competitive advantages including a strong business culture; integrity; specialist industry focus; excellent profitability, and solid growth prospects. The businesses are directed and staffed by industry professionals with extensive experience in their field.

For more information please visit www.rubicorgroup.com.au