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ASX Announcement

10 October 2005

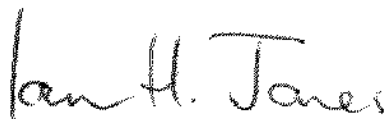
Company Announcements Office
Australian Stock Exchange Limited
Exchange Centre
Level 4
20 Bridge Street
SYDNEY NSW 2000

Dear Sir,

ACQUISITION OF TUNGSTEN GROUP PTY. LTD.

Please find attached a media release announcing Programmed Maintenance Services Limited expanding its operations management services through the acquisition of the Tungsten Group.

Yours sincerely,
PROGRAMMED MAINTENANCE SERVICES LIMITED



Ian H. Jones
Secretary

10 October 2005

Programmed expands in operations management through acquisition of Tungsten

Programmed Maintenance Services Limited (ASX code: PRG) today announced that it has reached agreement to acquire Tungsten Group Pty. Ltd. (Tungsten).

Tungsten is one of Australia's leading privately owned facilities maintenance operators with a blue chip client base in the industrial, commercial and government sectors. With operations in Melbourne, Sydney, Perth, Brisbane, Darwin, Newcastle, Adelaide and Wellington, Tungsten employs 160 people.

"Tungsten has a complementary business and cultural fit with Programmed's existing core business of property maintenance", said Max Findlay, Managing Director of Programmed. "The acquisition of Tungsten further enhances Programmed's existing capabilities and continues our strategic progression to being able to offer a fully integrated range of property and infrastructure services to our clients."

The senior management team of Tungsten will remain with the business, with Steve Taylor becoming the new Chief Executive of Tungsten, as a division of Programmed. Steve Taylor commented "From an operational point of view, it will be business as usual for the Tungsten customers and staff. However, combining Tungsten with Programmed will enable us to drive the business forward with greater capacity and financial strength through the full support of a public listed company."

For the year ending 31st December 2005, Tungsten's net revenue (excluding subcontractor reimbursables) and EBIT are expected to exceed \$15 million and \$2 million respectively. The total purchase price equates to an EBIT multiple of up to five times with the inclusion of an incentive based on the first year's earnings. The acquisition is expected to be earnings per share and cash per share accretive in the first year.

For further information contact:

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