

ASX Announcement

2 April 2008

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

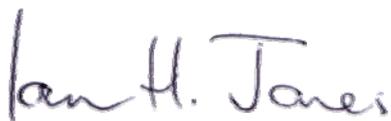
Dear Sir,

MAILING TO SHAREHOLDERS

In accordance with Listing Rule 3.17, please find attached the letter to shareholders of Programmed Maintenance Services Limited which has been mailed today.

Yours sincerely,

PROGRAMMED MAINTENANCE SERVICES LIMITED



Ian H. Jones
Secretary

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1 April 2008

Dear Shareholder,

Spotless' conditional offer – DO NOTHING at this stage

As you may be aware, Spotless has announced a **conditional offer** for Programmed Maintenance Services. This bid is **unsolicited** and your board advises you to **take no action** in response to it.

Your board will consider the offer and will send you our further advice in due course.

We are pleased to confirm that Programmed Maintenance Services is continuing to perform strongly as we begin to unlock the operational benefits from last year's merger with Integrated Group. We have strong positions in our markets, an experienced and talented management team, and well-developed strategies to enhance business performance.

We would like to make the following comments on the Spotless (SPT) bid.

Falling bid price

The SPT bid announcement on Thursday 27 March states that the bid is valued at \$6.11, but at the current SPT share price¹ the bid is worth between \$5.36 and \$5.73 – up to 75 cents (or 12.0%) less than the value suggested in the announcement.

The recent fall in SPT's share price continues an eight year decline. You should note that SPT's share price is now around 45% below the level it was in March 2001, while PRG's share price has increased by more than 200% over this period.

Uncertain funding

SPT's debt funding is described as 'committed'. However, the proposed bid has a number of conditions, including one which would allow SPT to withdraw its bid if a credit market spread index increases by more than 0.5% for three consecutive days during what might be a lengthy offer period. Given recent volatility of credit markets, it is possible this condition could be breached during the offer period.

SPT has indicated that it may undertake an equity raising as a way to manage the amount of debt on its balance sheet. It is unclear what impact this would have on the value of SPT shares. For example, SPT has not indicated:

- Whether the equity raising, if any, would occur before or after PRG shareholders received SPT scrip;
- The price at which the equity raising would take place;
- The extent of the downward movement in SPT's share price arising from any equity raising; and

¹ Based on SPT share price as at 1.00pm on Monday 31 March 2008

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- The terms of the Goldman Sachs JBWere underwriting agreement. A volume underwriting agreement does not indicate a certain price for the issue of new SPT shares or that the underwriter is supporting a minimum price for the issue. The value at which SPT shares are issued in an equity raising affects the price of SPT shares after the issue.

Offer conditions

The SPT bid contains many other conditions, including a minimum acceptance condition of 90%, and should be viewed as highly conditional. This means that, unless all of the conditions are satisfied or waived by SPT, the bid will not succeed.

We will continue to keep you informed of developments.

Yours sincerely



Geoff Tomlinson
Chairman



Chris Sutherland
Managing Director