PROGRAMMED MAINTENANCE SERVICES

Programmed Maintenance Services Limited
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ASX Announcement

28 May 2008

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

Dear Sir,

APPENDIX 4E - PRELIMINARY FINAL REPORT

Please find attached a copy of the Appendix 4E – Preliminary Final Report announcing the Annual Results for the year ended 31 March 2008.

Yours sincerely,
PROGRAMMED MAINTENANCE SERVICES LIMITED

Ian H. Jones

Ian H. Jones
Secretary

PROGRAMMED MAINTENANCE SERVICES

ASX Announcement

Programmed Maintenance Services Limited

ABN 61 054 742 264

Appendix 4E – Preliminary Final Report

Year ended: 31 March 2008

Previous corresponding period: 31 March 2007

Results for Announcement to the Market				**$A'000**
Revenue from ordinary activities	up	163.4%	to	**877,034**
Profit from ordinary activities after tax attributable to members	up	26.9%	to	**28,422**
Net profit for the period attributable to members	up	26.9%	to	**28,422**

The results for the year ended 31 March 2008 include 10 months' contribution from Integrated Group Limited, which merged with the Company on 7 June 2007 via a scheme of arrangement. The proposed divestment of the Industrial Services (Barry Bros.), business announced on 16 April 2008 has led to the revised disclosure of the division as "discontinued operations" in the financial statements. The profit after tax for the current year includes a tax benefit of $1.79 million arising from the impending reduction in the New Zealand corporate income tax rate.

Dividends

	Amount per security	Franked amount per security	Record date for determining entitlements to the dividend
Dividends paid			
Interim 2007 - 25 Jan. 2007	8.5 cents	8.5 cents	
Final 2007 - 26 July 2007	10.0 cents	10.0 cents	
Interim 2008 – 24 Jan. 2008	9.5 cents	9.5 cents	
Dividends to be paid			
Final 2008 - 24 July 2008	10.5cents	10.5 cents	10 July 2008

In accordance with the Rules of the Dividend Reinvestment Plan (DRP), the Board of Directors has decided that the DRP remains suspended for the final dividend.

Appendix 4E

Programmed Maintenance Services Limited
ABN 61 054 742 264

Preliminary Final report

Year ended 31 March 2008

Contents

PROGRAMMED MAINTENANCE GROUP

ASX Appendix 4E – RESULTS COMMENTARY

Programmed delivers tenth year of earnings growth

- Tenth consecutive year of growth in Programmed revenue and profits
- Increased final dividend of 10.5cps, 100% franked
- Revenue of $877m (up 163%)…..10 months revenue from Integrated
- EBITA of $57.5m (up 46%)…..10 months contribution from Integrated
- Profit after tax of $28.4m (up 27%)
- EPS (pre-amortisation) of 36.5c (up 13%)
- Successful merger with Integrated Group creates platform for future growth
- Property Maintenance result impacted by lower productivity and weather in NZ
- Strong growth in Marine / offshore oil & gas sector
- Further expansion into resources with proposed acquisition of SWG
- April trading performance in line with projections…..
  FY09 projections in Target's Statement reconfirmed
- Programmed directors continue to recommend shareholders **reject** the Spotless offer

	Year Ended 31 March 2008[1] $m	Year Ended 31 March 2007 $m	% change
Revenue	877.0	333.0	163.4%
EBITDA	72.6	50.6	43.4%
EBITA	57.5	39.3	46.4%
Amortisation	(3.1)	(0.5)	520.3%
EBIT	54.4	38.8	40.2%
Net Interest	(16.3)	(6.2)	161.4%
Profit before Tax	38.1	32.6	17.0%
Income Tax Expense	(9.7)	(10.2)	(4.7%)
Reported Profit after Tax	28.4	22.4	26.9%
Profit after Tax (pre-amort'n)[2]	31.5	22.9	37.9%
EPS pre-amortisation (cents)[2]	36.5	32.2	13.4%

Note 1 FY08 results include 10 months' contribution from the Integrated Group.

Note 2 The amortisation shown relates solely to the amortisation of identifiable intangibles. Both the profit after tax and EPS are shown pre-amortisation of identifiable intangibles.

Profit was 4.8% higher than forecast in Programmed's Target's Statement (lodged with the ASX on 7 May) due mainly to:-

(i) better results in March from Australian operations within the Property Maintenance division (up approximately $1.0m), and

(ii) lower taxes in New Zealand than originally estimated (down approximately $0.7m) due to "one off" adjustments arising from the lowering of the New Zealand company tax rate.

Managing Director, Chris Sutherland said, 'These results, which include ten months contribution from the Workforce and Marine businesses acquired in June 2007 through the merger with Integrated Group, demonstrate the strength of Programmed's business model. The core of this is our ability to recruit, retain and deploy a skilled workforce – a capability that is in high demand across Australia.'

'The diversity of Programmed's operations across our Property Maintenance, Facilities Management, Workforce and Marine divisions, together with our broad range of customers in different commercial, industrial, manufacturing, oil & gas and mining sectors, gives us a robust platform for continuing earnings growth.'

On 16 April, Programmed announced a number of new initiatives focused on continuing Programmed's strong track record of earnings growth while expanding its range of services. The proposed acquisition of SWG, a Western Australian based services company specialising in installation, minor capital works and maintenance services to the oil & gas and mining sectors, is consistent with the Group's strategy of expanding Programmed's present operations in these sectors. It also complements existing capabilities in the Marine and Workforce divisions.

'SWG has strong growth prospects in the offshore oil & gas and mining industries and, if acquired, will add significantly to our existing Group capability,' said Managing Director, Chris Sutherland.

DIVIDEND

The directors have increased the final dividend to 10.5 cents per share fully franked (FY07 10.0 cents), payable on 24 July 2008 to shareholders on the register at 10 July 2008. This brings total dividends for FY08 to 20 cents per share. fully franked (FY07 18.5 cents), representing a payout ratio of almost 60% of earnings. The dividend reinvestment plan remains suspended.

REVIEW OF OPERATIONS

Property Maintenance

Revenue	$267.1m (up 7.5% from $248.4m)
EBITA	$30.3m (down 9.5% from $33.5m)

The Property Maintenance division, trading as Programmed Maintenance Services, comprises painting, corporate imaging, grounds maintenance and building services and operates in Australia, New Zealand and the United Kingdom.

Revenue growth was up 7.5%, generated in part by painting programme wins and capital project works in building services. Earnings before interest, tax and amortisation were 9.5% down on the prior year mainly due to a reduced contribution by New Zealand painting, where operations were hampered by worse than expected weather conditions and lower productivity in some areas.

Growth initiatives under way include:

- A plan to improve utilisation during wet periods and improve productivity in New Zealand
- Targeting major multi-site property maintenance contracts which leverage the group's total network. (A contract to undertake certain works at Coles supermarkets across Australia was announced on 7 May 2008)
- Adding building and grounds services to existing long term painting clients
- Opening new branches in Australia, New Zealand and the United Kingdom

Facilities Management

Revenue	$76.0m (up 50.3% from $50.5m)
EBITA	$2.9m (up 1.6% from $2.9m)

The Facilities Management division, trading as Tungsten, secured significant long term contracts with Rottnest Island Authority and a major national oil company. Investments in additional staff and new systems have set the foundation for a strong FY09.

Growth initiatives under way include:

- Further investment in systems
- Increased project management capability
- Leveraging the Group's Workforce and Property Maintenance capabilities within larger FM contracts
- Securing further major contracts currently being tendered

Workforce

Revenue	$324.1m (10 months contribution)
EBITA	$8.7m (10 months contribution)

The Workforce division, trading as Integrated, continued to expand, reflecting favourable conditions of a tight labour market. During the year, eight new branches were opened, bringing the total branch count to 52, and two bolt-on acquisitions were completed. In particular, strong growth was recorded in the WA resources sector and increasing support was provided to other Programmed operating divisions.

Growth initiatives under way include:

- Eight new branches planned
- Four branches to be co-located with existing Programmed offices
- Commence in New Zealand
- Explore opportunities in the United Kingdom

Marine

Revenue	$169.0m (10 months contribution)
EBITA	$12.6m (10 months contribution)

The Marine division, trading as Total Marine Services, provides specialist manning and logistic services to the offshore oil & gas industry in Australia and New Zealand. The business experienced strong growth in revenue and EBITA driven by buoyant conditions in the sector.

Major contract successes included a five year manning contract for a floating production, storage and offloading (FPSO) vessel in New Zealand. Activity in the offshore oil & gas sector continues to expand with current demand outstripping available marine personnel.

Growth initiatives under way include:

- Major investment in training new people
- Explore opportunities in the United Kingdom
- Expand manning services further in other non-marine categories (eg offshore trade and rig labour)

Industrial Services (Barry Bros.)

Revenue	$39.7m (up 18.7% from $33.5m)
EBITA	$3.0m (up 2.5% from $2.9m)

On 16 April, it was announced that Programmed had signed a non-binding Heads of Agreement to sell Barry Bros. to Tox Free Solutions for $25m. Please refer to Programmed's Target's Statement lodged with the ASX on 7 May 2008 for more details.

CASH FLOW AND BALANCE SHEET

Gross operating cashflow increased by 83% to $57.1m, reflecting the inclusion of the Integrated Group business. Net operating cashflow was $27.8m, 66% higher than the previous year, despite significantly higher interest payments due to the increase in borrowings during the year.

The acquisition of Integrated Group, together with net purchases of plant and equipment of $16.1m, are the key reasons for the increase in net debt to $231.1m at 31 March 2008, from $91.5m at 31 March 2007. As a consequence, the Group's debt/equity ratio increased to 91% from 67% at 31 March 2007. Based on the projected operating results for the year ending 31 March 2009, the reduction in debt following the proposed divestment of Barry Bros. ($25m) and the issue of additional equity for the proposed acquisition of SWG (approximately $40m), the resulting debt/equity ratio is projected for 31 March 2009 to be significantly less than present.

The total equity base at 31 March 2008 was $254.8m, an increase of $118m over 31 March 2007 ($136.6m), due to the value of shares issued to former Integrated Group shareholders, as well as the solid operating results offset by higher dividend payments. Due to the large increase in goodwill following the merger with Integrated Group, net tangible assets per share at 31 March 2008 were $0.44, compared with $1.76 at 31 March 2007.

OUTLOOK

Mr Sutherland said that the April 2008 trading result was in line with projections and the company confirmed its current projections for the year ending 31 March 2009. These are:

Revenue	$1,171.7m (up 33%)
EBITA	$74.0m (up 29%)
EPS (pre-amortisation)	40.3cps (up 10.4%)[3]

The FY09 projections assume that the sale of Barry Bros. and acquisition of SWG are completed on 30 June 2008 and a number of other assumptions. Please refer to Programmed's Target's Statement lodged with the ASX on 7 May 2008 for detailed explanations and assumptions.

[3]Due to the 4.8% increase in profit between the FY08 Forecast in Programmed's Target's Statement and the Actual FY08 profit, the EPS (pr-eamortisation) growth projected in FY09 is now lower then stated in Programmed's Target's Statement. However, the Projected EPS (pre-amortisation) for FY09 of 40.3 cents remains as per Programmed's Target's Statement.

Programmed Maintenance Services Limited
Condensed Consolidated Income Statement
For The Year Ended 31 March 2008

	Note	2008 $'000	2007 $'000
Revenue	2	**837,288**	299,516
Other Income	2	**2,657**	505
Changes in inventories of finished goods and work in progress		**5,489**	(22)
Raw materials and consumables used		**(45,430)**	(23,591)
Employee benefits expenses	2	**(580,350)**	(133,075)
Sub Contractor expenses		**(103,178)**	(63,136)
Depreciation and amortisation expense	2	**(14,045)**	(8,140)
Finance costs	2	**(15,835)**	(5,349)
Equipment and motor vehicle costs		**(11,504)**	(10,929)
Information technology and telecommunications costs		**(4,788)**	(2,622)
Impairment of non-current assets		**-**	-
Other expenses		**(33,950)**	(22,407)
Profit before income tax expense		**36,354**	30,750
Income tax expense	3	**(9,092)**	(9,588)
Profit from continuing operations		**27,262**	21,162
Profit from discontinued operations	18	**1,160**	1,237
Profit attributable to members of the parent entity		**28,422**	22,399
Earnings Per Share:			
From continuing and discontinued operations:			
Basic (cents per share)	19	**32.9**	31.5
Diluted (cents per share)	19	**32.6**	31.5
From continuing operations:			
Basic (cents per share)	19	**31.5**	29.7
Diluted (cents per share)	19	**31.3**	29.7

Notes to the financial statements are included on pages 12 to 31.

Programmed Maintenance Services Limited
Condensed Consolidated Balance Sheet
As At 31 March 2008

	Note	2008 $'000	2007 $'000
Current Assets			
Cash and cash equivalents		**4,044**	5,213
Trade and other receivables	6	**245,406**	143,065
Inventories	7	**30,315**	17,459
Current tax assets	3	**1,355**	2,624
Other current assets	8	**13,036**	3,776
		294,156	172,137
Total assets classified as held for sale	18	**27,601**	-
Total Current Assets		**321,757**	172,137
Non-Current Assets			
Trade and other receivables	9	**102,610**	97,897
Inventories	10	**7,641**	10,395
Property, plant and equipment		**31,019**	43,262
Deferred tax assets	3	**14,960**	5,038
Goodwill	11	**199,367**	9,428
Other intangible assets	12	**15,620**	2,022
Total Non-Current Assets		**371,217**	168,042
Total Assets		**692,974**	340,179
Current Liabilities			
Trade and Other Payables		**119,442**	37,852
Borrowings	14	**42,518**	12,857
Current tax payables	3	**1,275**	2,397
Provisions		**11,452**	9,644
		174,687	62,750
Liabilities directly associated with total assets classified as held for sale	18	**19,033**	-
Total Current Liabilities		**193,720**	62,750
Non-Current Liabilities			
Borrowings	14	**177,423**	83,872
Deferred tax liabilities	3	**58,845**	55,044
Provisions		**8,156**	1,868
Total Non-Current Liabilities		**244,424**	140,784
Total Liabilities		**438,144**	203,534
Net Assets		**254,830**	136,645
Equity			
Issued Capital	15	**136,057**	27,290
Reserves		**5,446**	6,898
Retained earnings	16	**113,327**	102,457
Total Equity		**254,830**	136,645

Notes to the financial statements are included on pages 12 to 31.

Programmed Maintenance Services Limited
Condensed Consolidated Statement of Recognised Income and Expense
For The Year Ended 31 March 2008

	2008 $'000	2007 $'000
Translation of foreign operations		
Exchange differences taken to equity	**(1,974)**	922
Income tax on items taken directly to equity	**-**	-
Net(expense)/ income recognised directly in equity	**(1,974)**	922
Profit for the period	**28,422**	22,399
Total recognised income and expense for the period	**26,448**	23,321

Notes to the financial statements are included on pages 12 to 31.

Programmed Maintenance Services Limited
Condensed Consolidated Cash Flow Statement
For The Year Ended 31 March 2008

	Note	2008 $'000	2007 $'000
Cash Flows From Operating Activities			
Receipts from customers		**930,627**	351,257
Payments to suppliers and employees		**(873,538)**	(319,971)
Interest and other costs of finance paid		**(17,088)**	(6,473)
Income tax paid		**(12,185)**	(8,035)
Net cash provided by operating activities	17(b)	**27,816**	16,778
Cash Flows From Investing Activities			
Interest received		**834**	254
Payment for property, plant and equipment		**(10,666)**	(5,228)
Proceeds from sale of property, plant and equipment		**1,320**	1,512
Payment for development software		**(309)**	(312)
Payment for businesses	17(c)	**(127,920)**	(50)
Payments for acquisition of long-term contracts		**(377)**	-
Net cash used in investing activities		**(137,118)**	(3,824)
Cash Flows From Financing Activities			
Proceeds from issue of equity securities		**-**	92
Proceeds from borrowings		**142,566**	5,742
Repayment of borrowings		**(14,677)**	(6,001)
Dividends paid		**(17,552)**	(12,812)
Net cash provided by/(used in) financing activities		**110,337**	(12,979)
Net Increase/(Decrease) In Cash Held		**1,035**	(25)
Cash At The Beginning Of The Financial Year		**100**	270
Effect of exchange rate changes on the balance of held in foreign currencies		**(537)**	(145)
Cash At The End Of The Financial Year	17(a)	**598**	100

Notes to the financial statements are included on pages 12 to 31.

1 Summary of accounting policies

Basis of preparation

This preliminary final report has been prepared in accordance with ASX listing rule 4.3A and the disclosure requirements of ASX Appendix 4E

This preliminary final report contains the consolidated financial statements of Programmed Maintenance Services Limited and the entities i controlled at the end of, or during the year ended 31 March 2008

The condensed financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-currer assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts ar presented in Australian dollars, unless otherwise noted

The company is a company of the kind referred to in ASIC Class Order 98/0100, dated 10 July 1998, and in accordance with that Clas Order amounts in the financial report are rounded off to the nearest thousand dollars, unless otherwise indicated

In the current year, the Group has adopted all of the new and revised Standards and Interpretations issued by the Australian Accountin Standards Board (the AASB) that are relevant to its operations and effective for the current annual reporting period. The adoption of thes new and revised Standards and Interpretations has not resulted in changes to the consolidated entity's policies

Significant Accounting Policies
The accounting policies and methods of computation adopted in the preparation of this preliminary financial report are consistent wit those adopted and disclosed in the 2007 annual financial report

2 Profit from operations

(a) Revenue

An analysis of the Group's revenue for the year from both continuing and discontinued operations, is as follows:	Continuing 2008 $'000	Continuing 2007 $'000	Discontinued 2008 $'000	Discontinued 2007 $'000	Total 2008 $'000	Total 2007 $'000
Revenue from rendering of services:						
Invoiced	**819,544**	290,102	**39,786**	33,411	**859,330**	323,513
Not Yet Invoiced						
- Increase in amounts recoverable	**9,904**	8,323	**-**	-	**9,904**	8,323
- Work in progress	**4,119**	409	**(107)**	25	**4,012**	434
	833,567	298,834	**39,679**	33,436	**873,246**	332,270
Interest revenue						
- other entities	**828**	245	**6**	9	**834**	254
	828	245	**6**	9	**834**	254
Rental revenue						
- operating lease rental revenue	**139**	182	**11**	(24)	**150**	158
Other Income	**2,754**	255	**50**	62	**2,804**	317
	837,288	299,516	**39,746**	33,483	**877,034**	332,999

2 Profit from operations (continued)

(b) Profit before income tax	Continuing 2008 $'000	Continuing 2007 $'000	Discontinued 2008 $'000	Discontinued 2007 $'000	Total 2008 $'000	Total 2007 $'000
Profit before income tax has been arrived at after crediting/(charging) the following gains and losses from continuing operations:						
Gain on disposal of property, plant & equipment	**199**	561	**39**	147	**238**	708
Gain on disposal of business	**2,128**	-	**-**	-	**2,128**	-
Net foreign exchange gains/(losses)	**330**	(56)	**-**	-	**330**	(56)
	-	-				
Total Other income	**2,657**	505	**39**	147	**2,696**	652
Profit before income tax has been arrived at after charging the following expenses attributable to continuing operations:						
Finance Costs:						
Interest on loans						
- other entities	**(13,670)**	(3,755)	**(8)**	(23)	**(13,678)**	(3,778)
- finance lease finance charges	**(1,364)**	(1,341)	**(1,217)**	(1,059)	**(2,581)**	(2,400)
Total interest expense	**(15,034)**	(5,096)	**(1,225)**	(1,082)	**(16,259)**	(6,178)
Other finance costs	**(801)**	(253)	**(28)**	(42)	**(829)**	(295)
	(15,835)	(5,349)	**(1,253)**	(1,124)	**(17,088)**	(6,473)
Net bad and doubtful debts arising from						
- other entities	**(413)**	(397)	**(30)**	(7)	**(443)**	(404)
Depreciation of non-current assets						
- Property,plant and equipment	**(6,027)**	(2,819)	**(1,370)**	(1,583)	**(7,397)**	(4,402)
Amortisation of non-current assets						
- Finance lease assets	**(4,524)**	(4,734)	**(2,881)**	(2,144)	**(7,405)**	(6,878)
- Brand names	**(150)**	-	**-**	-	**(150)**	-
- Value of long term contracts acquired	**(3,164)**	(510)	**-**	-	**(3,164)**	(510)
- Value of development software	**(180)**	(77)	**-**	-	**(180)**	(77)
	(8,018)	(5,321)	**(2,881)**	(2,144)	**(10,899)**	(7,465)
Operating lease rental expense						
- Minimum lease payments	**(5,963)**	(2,242)	**(628)**	(439)	**(6,591)**	(2,681)
Employee benefit expense:						
Post employment benefits						
- Defined contribution plans (superannuation contributions)	**(33,344)**	(7,805)	**(919)**	(739)	**(34,263)**	(8,544)
Termination benefits	**(2,935)**	(1,396)	**(157)**	(162)	**(3,092)**	(1,558)
Performance rights	**(548)**	-	**-**	-	**(548)**	-
Other employee benefits	**(543,523)**	(123,874)	**(17,087)**	(13,490)	**(560,610)**	(137,364)
Total employee benefit expense	**(580,350)**	(133,075)	**(18,163)**	(14,391)	**(598,513)**	(147,466)

3 Income taxes

(a) Income tax recognised in profit and loss

Tax expense comprises:	2008 $'000	2007 $'000
Current tax expense	**10,582**	5,998
Deferred tax expense relating to the origination and reversal of temporary differences	**(902)**	4,156
Total tax expense	**9,680**	10,154

The prima facie income tax expense on pre-tax accounting profit from operations reconciles to the income tax expense in the financial statements as follows:

	2008 $'000	2007 $'000
Profit from operations	**38,102**	32,553
Income tax expense calculated at 30%	**11,431**	9,766
Amortisation of intangibles	**893**	153
Non-deductible expenses	**377**	146
Non assessable gain on disposal of business	**(747)**	-
Effect of different rates of tax on overseas income	**95**	256
Effect on deffered tax assets and liabilities due to the change in income tax rates in New Zealand from 33% to 30% (effective 1 July 2008)	**(1,790)**	-
Exempt income	**(95)**	-
	10,164	10,321
Over provision of income tax in previous year	**(484)**	(167)
Total tax expense	**9,680**	10,154
Attributable to:		
Continuing operations	**9,092**	9,588
Discontinued operations	**588**	566
	9,680	10,154

(b) Current tax assets and liabilities

	2008 $'000	2007 $'000
Current tax assets:		
Tax losses - revenue	**-**	-
Temporary differences	**1,355**	2,624
Current tax payables:		
Income tax attributable to:		
Parent entity	**406**	488
Entities in the tax-consolidated group	**434**	1,448
Other	**435**	461
	1,275	2,397

(c) Deferred tax balances

	2008 $'000	2007 $'000
Deferred tax assets comprise:		
Tax losses - revenue	**-**	-
Temporary differences	**15,346**	5,038
	15,346	5,038
Deferred tax liabilities comprise:		
Temporary differences	**58,837**	55,044

3 Income taxes (continued)

(c) Deferred tax balances

Taxable and deductible temporary differences attributable to continuing operations arise from the following:

Consolidated - 2008	Opening balance $'000	Charged to income $'000	Acquisitions /Disposals $'000	Exchange differences $'000	Tax rate change $'000	Closing balance $'000
Gross deferred tax liabilities:						
Inventories	(8,504)	(3,001)	-	42	157	**(11,306)**
Contracts in progress at recoverable value	(46,230)	(1,844)	(275)	319	1,672	**(46,358)**
Property, plant & equipment	(138)	280	(97)	-	-	**45**
Other	(172)	692	(1,738)	-	-	**(1,218)**
	(55,044)	(3,873)	(2,110)	361	1,829	**(58,837)**
Gross deferred tax assets:						
Provisions	3,448	595	4,711	(2)	(11)	**8,741**
Property, plant & equipment	103	(6)	-	(2)	(9)	**86**
Doubtful Debts	400	123	470	(2)	(7)	**984**
Other	1,087	2,273	2,190	(3)	(12)	**5,535**
	5,038	2,985	7,371	(9)	(39)	**15,346**
	(50,006)	(888)	5,261	352	1,790	**(43,491)**
Presented in the balance sheet as follows:						
Deferred tax (liability) attributable to:						
Continuing operations						**(58,845)**
Directly associated with assets held for sale						**8**
						(58,837)
Deferred tax asset attributable to:						
Continuing operations						**14,960**
Discontinued operations						**386**
						15,346

Consolidated - 2007	Opening balance $'000	Charged to income $'000	Acquisitions /Disposals $'000	Exchange differences $'000	Closing balance $'000
Gross deferred tax liabilities:					
Inventories	(7,822)	(630)	-	(52)	**(8,504)**
Contracts in progress at recoverable value	(42,938)	(2,967)	-	(325)	**(46,230)**
Property, plant & equipment	(222)	84	-	-	**(138)**
Other	(163)	(9)	-	-	**(172)**
	(51,145)	(3,522)	-	(377)	**(55,044)**
Gross deferred tax assets:					
Provisions	3,317	128	-	3	**3,448**
Property, plant & equipment	117	(16)	-	2	**103**
Doubtful Debts	284	113	-	3	**400**
Other	1,948	(859)	-	(2)	**1,087**
	5,666	(634)	-	6	**5,038**
	(45,479)	(4,156)	-	(371)	**(50,006)**
Presented in the balance sheet as follows:					
Deferred tax (liability)					**(55,044)**
Deferred tax asset					**5,038**
					(50,006)

Relevance of tax consolidation to the consolidated entity
The company and its wholly-owned Australian resident entities have formed a tax-consolidated group with effect from 1 April 2004 and are therefore taxed as a single entity from that date. The head entity within the tax-consolidated group is Programmed Maintenance Services Limited. Integrated Group Limited and its' subsidiaries joined the tax consolidated group on the 7 June 2007.

3 Income taxes (continued)

Nature of tax funding arrangements and tax sharing agreements
Entities within the tax-consolidated group have entered into a tax funding arrangement and a tax-sharing agreement with the head entity. Unde the terms of the tax funding arrangement, Programmed Maintenance Services Limited and each of the entities in the tax-consolidated group ha agreed to pay a tax equivalent payment to or from the head entity, based on the current tax liability or current tax asset of the entity. Suc amounts are reflected in amounts receivable from or payable to other entities in the tax-consolidated group

The tax sharing agreement entered into between members of the tax-consolidated group provides for the determination of the allocation c income tax liabilities between the entities should the head entity default on its tax payment obligations. No amounts have been recognised in th financial statements in respect of this agreement as payment of any amounts under the tax sharing agreement is considered remote

4 Acquisition of businesses

Name of business acquired	Principal Activity	Date of Acquisition	Proportion of shares acquired (%)	Cost of Acquisition $'000
Integrated Group Limited	Workforce Management	7/06/2007	100%	**202,455**
Black and White Recruitment Solutions	Labour Hire	28/09/2007	N/A	**3,906**
Genesis Recruitment	Labour Hire	30/11/2007	N/A	**3,748**

Acquisition cost

(a) Integrated Group Limited

	$'000
The cost of acquisition comprises:-	
Cash	**93,688**
Issue of equity securities	**108,767**
Total cost of acquisition	**202,455**

	Integrated Group Limited		
Net assets acquired:	**Book value $'000**	**Fair value adjustment $'000**	**Total fair value on acquisition $'000**
Current assets			
Cash	3,495	-	**3,495**
Receivables	78,208	-	**78,208**
Inventories	523	-	**523**
Non-current assets			
Property, plant & equipment	7,528	-	**7,528**
Deferred tax asset	7,555	(184)	**7,371**
Intangible assets	3,637	12,849	**16,486**
Current liabilities			
Trade and other payables	47,800	-	**47,800**
Bank overdraft	30,658	-	**30,658**
Borrowings	293	-	**293**
Current tax payables	1,654	750	**2,404**
Provisions	2,343	-	**2,343**
Non-current liabilities			
Borrowings	3,502	-	**3,502**
Deferred tax liabilities	3,079	(1,243)	**1,836**
Provisions	4,314	-	**4,314**
	7,303	13,158	**20,461**
Goodwill on acquisition			
Total cost of acquisition			**202,455**
Less: Net assets acquired			**20,461**
Goodwill on acquisition			**181,994**

Further details of the business acquired during the previous financial year are disclosed in Note 17

4 Acquisition of businesses (continued)

(b) Black and White Recruitment Solutions

	$'000
The cost of acquisition comprises:-	
Cash	**3,906**
Issue of equity securities	**-**
Total cost of acquisition	**3,906**

	Black and White Recruitment Solutions		
Net assets acquired:	**Book value $'000**	**Fair value adjustment $'000**	**Total fair value on acquisition $'000**
Current assets	-	-	**-**
Non-current assets	-	-	**-**
Current liabilities	-	-	**-**
Non-current liabilities	-	-	**-**
	-	-	**-**

Goodwill on acquisition	
Total cost of acquisition	**3,906**
Less: Net assets acquired	**-**
Goodwill on acquisition	**3,906**

(c) Genesis Recruitment

	$'000
The cost of acquisition comprises:-	
Cash	**3,748**
Issue of equity securities	**-**
Total cost of acquisition	**3,748**

	Genesis Recruitment		
Net assets acquired:	**Book value $'000**	**Fair value adjustment $'000**	**Total fair value on acquisition $'000**
Current assets	-	-	**-**
Non-current assets			
Property, plant & equipment	156	-	**156**
Current liabilities	-	-	**-**
Non-current liabilities	-	-	**-**
	156	-	**156**

Goodwill on acquisition	
Total cost of acquisition	**3,748**
Less: Net assets acquired	**156**
Goodwill on acquisition	**3,592**

5 Share options

During the financial year ended 31 March 2008, the company introduced the "Long Term Incentive Plan" which is a new share-based compensation scheme for executives and senior employees of the PMS Group. In accordance with the provisions of this plan, the executives and senior employees may be granted either performance rights or performance options.

Each performance right converts upon exercise into one fully paid ordinary share of Programmed Maintenance Services Limited. No amounts are paid or payable by the recipient on receipt of the performance right.

Each performance option converts into one fully paid ordinary share of Programmed Maintenance Services Limited upon the payment of the applicable exercise price at time of exercise. No amounts are paid or payable by the recipient on receipt of the performance option.

Performance rights have vesting dates that are three to five years from the date of issue, and may be exercised at any time within twelve months from date of vesting. Performance options have a vesting date that is three years from the date of issue, and may be exercised at any time within twelve months from the date of vesting. Both performance rights and performance options carry neither rights to dividends nor voting rights.

In accordance with the plan, the number of performance rights or performance options that will be exercisable on the vesting date is based on the Total Shareholder Return of the Company during the years prior to the vesting date as compared to the Total Shareholder Return for a peer group of companies listed in the S&P/ASX 300 Index.

During the financial year ended 31 March 2007, the last of the share options issued under the superceded share options scheme were exercised. Under the provisions of the scheme, each share option converted into one fully paid ordinary share of Programmed Maintenance Services Limited upon the payment of the applicable exercise price at time of exercise.

The following share-based payment arrangements were in existence during the current and previous half year reporting period:-

	Performance Rights		Performance Options		Share Options	
	2008 No.	2007 No.	2008 No.	2007 No.	2008 No.	2007 No.
Balance at beginning of the financial year	**-**	-	**-**	-	**-**	36,000
Approved during the financial year (ii)	**1,049,091**	-	**2,900,000**	-	**-**	-
Exercised during the financial year (iii)	**-**	-	**-**	-	**-**	(36,000)
Lapsed during the financial year (iv)	**(109,787)**	-	**-**	-	**-**	-
Balance at end of the financial year (v)	**939,304**	-	**2,900,000**	-	**-**	-

(i) Balance at beginning of the financial year 2008

Balance of performance rights and performance options at the beginning of the current financial year was nil.
The balance of share options (issued under the superceded scheme) held at the beginning of the previous financial year was 36,000.

(ii) Approved during the financial year 2008

The following performance rights and performance options were approved for issue by the Board of Directors during 2008:-

	Number Approved	Issue Date	Vesting Date	Expiry Date	Exercise Price $	Fair Value at Grant Date $
Performance Rights						
Tranche PR-1	**691,591**	22/06/2007	1/07/2010	30/06/2011	**-**	**3.35**
Tranche PR-2	**60,000**	21/01/2008	21/01/2011	21/01/2012	**-**	**Note 1**
Tranche PR-3	**60,000**	21/01/2008	21/01/2012	21/01/2013	**-**	**Note 1**
Tranche PR-4	**60,000**	21/01/2008	21/01/2013	21/01/2014	**-**	**Note 1**
Tranche PR-5	**54,750**	12/03/2008	11/03/2011	11/03/2012	**-**	**Note 2**
Tranche PR-6	**54,750**	12/03/2008	11/03/2012	11/03/2013	**-**	**Note 2**
Tranche PR-7	**68,000**	12/03/2008	11/03/2013	11/03/2014	**-**	**Note 2**
Total Performance Rights approved	**1,049,091**					
Performance Options						
Tranche PO-1	**150,000**	21/01/2008	21/01/2011	21/01/2012	$ 4.82	**Note 1**
Tranche PO-2	**150,000**	21/01/2009	21/01/2012	21/01/2013	Note 3	**Note 1**
Tranche PO-3	**150,000**	21/01/2010	21/01/2013	21/01/2014	Note 3	**Note 1**
Tranche PO-4	**763,000**	12/03/2008	11/03/2011	11/03/2012	$ 4.80	**Note 2**
Tranche PO-5	**763,000**	12/03/2009	11/03/2012	11/03/2013	Note 4	**Note 2**
Tranche PO-6	**924,000**	12/03/2010	11/03/2013	11/03/2014	Note 4	**Note 2**
Total Performance Options approved	**2,900,000**					

Note 1 These tranches of performance rights (PR-2, PR-3 amd PR-4) and performance options (PO-1, PO-2, PO-3) were approved by by the Board as part of the Executive Service Agreement of the Managing Director, who commenced in that role on 21 January 2008. The ASX Listing Rules require the Managing Director's long term incentive arrangements to be subject to approval by the shareholder at the next Annual General Meeting, which is due to be held on 8 August 2008.

Note 2 The agreements to issue these tranches of performance rights and performance options are subject to the approval of the Company's shareholders, in accordance with ASX Listing Rule 7.9, while the Spotless takeover offer remains open. Accordingly, the grant date will be the earlier of the shareholder approval or 28 June 2008, being the expiry of the 3 month condition included in Listing Rule 7.9.

Note 3 The exercise price is the volume average price of Programmed Maintenance Services Limited shares traded on the ASX for the five days prior to the date of issue

Note 4 The exercise price is the volume average price of Programmed Maintenance Services Limited shares traded on the ASX for the thirty days prior to the date of issue

Note 5 The grant date of performance rights tranche PR-1 is 22 June 2007.

5 Share options (continued)

(ii) Approved during the financial year 2008 (continued)

The fair values at grant date of the performance rights in Tranche PR-1 have been priced using a Monte Carlo simulation, which is a valuation method using the results of many individual simulations to determine a fair value. The fair values at grant date of the performance options have been priced using a Black-Scholes model, which is a mathematical model for determining the market price for an equity-based security that is exercisable on a future date.

(iii) Exercised during the financial year 2008

No performance rights nor performance options were capable of being exercised during the current financial year.
Set out below are the details of the share options exercised during the previous financial year:-

Options - Series	No. of Options Exercised	Vesting Date	Expiry/ Exercise Date	Exercise Price $	No. of Shares Issued	Fair Value Received $	Fair Value of shares at date of issue $
(6) Granted 8 May 2002	36,000	29/09/2004	29/09/2006	2.57	36,000	92,520	**150,120**

The fair value of shares at date of exercise was determined by using the market price of the company's ordinary shares on 29 September 2006. At this date, the market price was $4.17 per share.

(iv) Lapsed during the financial year 2008

No performance options lapsed during the current financial year.
No share options lapsed during the previous financial year.
Set out below are the details of the performance rights that lapsed during the current financial year:-

	Number Lapsed	Issue Date	Vesting Date	Expiry Date
Tranche PR-1	109,787	22/06/2007	1/07/2010	30/06/2011

(v) Balance at end of the financial year 2008

	Issue Date	Vested No.	Unvested No.	Vesting Date	Expiry Date	Exercise Price $	Fair Value at Grant Date $
Performance Rights							
Tranche PR-1	22/06/2007	-	581,804	1/07/2010	30/06/2011	-	**3.35**
Tranche PR-2	21/01/2008	-	60,000	21/01/2011	21/01/2012	-	**Note 1**
Tranche PR-3	21/01/2008	-	60,000	21/01/2012	21/01/2013	-	**Note 1**
Tranche PR-4	21/01/2008	-	60,000	21/01/2013	21/01/2014	-	**Note 1**
Tranche PR-5	12/03/2008	-	54,750	11/03/2011	11/03/2012	-	**Note 2**
Tranche PR-6	12/03/2008	-	54,750	11/03/2012	11/03/2013	-	**Note 2**
Tranche PR-7	12/03/2008	-	68,000	11/03/2013	11/03/2014	-	**Note 2**
Total of Performance Rights		-	939,304				
Performance Options							
Tranche PO-1	21/01/2008	-	150,000	21/01/2011	21/01/2012	$ 4.82	**Note 1**
Tranche PO-2	21/01/2009	-	150,000	21/01/2012	21/01/2013	Note 3	**Note 1**
Tranche PO-3	21/01/2010	-	150,000	21/01/2013	21/01/2014	Note 3	**Note 1**
Tranche PO-4	12/03/2008	-	763,000	11/03/2011	11/03/2012	$ 4.80	**Note 2**
Tranche PO-5	12/03/2009	-	763,000	11/03/2012	11/03/2013	Note 4	**Note 2**
Tranche PO-6	12/03/2010	-	924,000	11/03/2013	11/03/2014	Note 4	**Note 2**
Total of Performance Options		-	2,900,000				

Note 1 These tranches of performance rights (PR-2, PR-3 amd PR-4) and performance options (PO-1, PO-2, PO-3) were approved by by the Board as part of the Executive Service Agreement of the Managing Director, who commenced in that role on 21 January 2008. The ASX Listing Rules require the Managing Director's long term incentive arrangements to be subject to approval by the shareholder at the next Annual General Meeting, which is due to be held on 8 August 2008.

Note 2 The agreements to issue these tranches of performance rights and performance options are subject to the approval of the Company's shareholders, in accordance with ASX Listing Rule 7.9, while the Spotless takeover offer remains open. Accordingly, the grant date will be the earlier of the shareholder approval or 28 June 2008, being the expiry of the 3 month condition included in Listing Rule 7.9.

Note 3 The exercise price is the volume average price of Programmed Maintenance Services Limited shares traded on the ASX for the five days prior to the date of issue

Note 4 The exercise price is the volume average price of Programmed Maintenance Services Limited shares traded on the ASX for the thirty days prior to the date of issue

Note 5 The grant date of performance rights tranche PR-1 is 22 June 2007.

	2008 $'000	2007 $'000
6 Current trade and other receivables		
Trade receivables	**183,297**	75,514
Allowance for doubtful debts	**(3,383)**	(1,318)
	179,914	74,196
Contracts in progress at recoverable value	**70,605**	68,713
Other amounts due from customers under long-term contracts	**224**	156
	250,743	143,065
Trade and other receivables classified as held for sale (Note 18)	**(5,337)**	-
	245,406	143,065
7 Current inventories		
At cost:		
Raw materials and stores	**2,051**	1,420
Work in progress	**10,445**	5,147
Finished goods	**314**	192
At recoverable amount:		
Work in progress	**17,593**	10,700
	30,403	17,459
Current inventories classified as held for sale (Note 18)	**(88)**	-
	30,315	17,459
8 Other current assets		
Prepayments	**3,405**	2,917
Other	**10,391**	859
	13,796	3,776
Other current assets classified as held for sale (Note 18)	**(760)**	-
	13,036	3,776
9 Non-current trade and other receivables		
Contracts in progress at recoverable value	**102,290**	97,628
Other amounts due from customers under long term contracts	**320**	269
	102,610	97,897
10 Non-current inventories		
At recoverable amount:		
Work in progress	**7,641**	10,395
	7,641	10,395
11 Goodwill		
Gross carrying amount		
Balance at beginning of financial year	**9,428**	9,378
Additional amounts recognised from business combinations acquired during the year	**189,492**	50
Adjustment to deferred consideration for business combinations.	**447**	-
Balance at end of financial year	**199,367**	9,428

11 Goodwill (continued)

	2008 $'000	2007 $'000
Allocation of goodwill to cash-generating units		
Goodwill has been allocated for impairment testing purposes to the following groups of cash-generating units		
Property services	**2,335**	2,335
Facilities management	**7,093**	7,093
Workforce and Marine	**189,939**	-
	199,367	9,428

12 Other intangible assets

	Long-term contracts acquired		Development software		Brand Names		Total	
	2008 $'000	2007 $'000	2008 $'000	2007 $'000	2008 $'000	2007 $'000	2008 $'000	2007 $'000
Gross carrying amount								
Balance at beginning of the financial year	**3,037**	3,037	**1,638**	1,326	**-**	-	**4,675**	4,363
Additions during the year	**8,067**	-	**308**	312	**8,717**	-	**17,092**	312
Balance at end of the financial year	**11,104**	3,037	**1,946**	1,638	**8,717**	-	**21,767**	4,675
Accumulated amortisation								
Balance at beginning of the financial year	**(1,380)**	(870)	**(1,273)**	(1,196)	**-**	-	**(2,653)**	(2,066)
Amortisation for the year	**(3,164)**	(510)	**(180)**	(77)	**(150)**	-	**(3,494)**	(587)
Balance at end of the financial year	**(4,544)**	(1,380)	**(1,453)**	(1,273)	**(150)**	-	**(6,147)**	(2,653)
Net book value								
Balance at beginning of the financial year	**1,657**	2,167	**365**	130	**-**	-	**2,022**	2,297
Balance at end of the financial year	**6,560**	1,657	**493**	365	**8,567**	-	**15,620**	2,022

13 Contracts and work in progress at recoverable value

	2008 $'000	2007 $'000
Contracts in Progress		
Balance at beginning of year	**166,341**	156,806
Increase in amounts recoverable	**9,904**	8,323
Effect of foreign currency movements	**(3,350)**	1,212
Balance at end of year	**172,895**	166,341
Shown in the financial statements as:		
Current (Note 6)	**70,605**	68,713
Non-Current (Note 9)	**102,290**	97,628
	172,895	166,341

	2008 $'000	2007 $'000
13 Contracts and work in progress at recoverable value (continued)		
Work in Progress		
Balance at beginning of year	**21,095**	20,132
Increase in amounts recoverable	**4,141**	804
Effect of foreign currency movements	**(2)**	159
Balance at end of year	**25,234**	21,095
Shown in the financial statements as:		
Current (Note 7)	**17,593**	10,700
Non-Current (Note 10)	**7,641**	10,395
	25,234	21,095
Total Contracts and Work in Progress at recoverable amount		
Current	**88,198**	79,413
Non-Current	**109,931**	108,023
	198,129	187,436
14 Borrowings		
Secured - at amortised cost		
Current		
Bank overdraft	**1,656**	5,113
Finance lease liabilities	**8,826**	7,448
Non-current		
Bank loan	**7,336**	60,097
Finance lease liabilities	**21,630**	23,775
Unsecured - at amortised cost		
Current		
Bank overdraft	**1,959**	-
Bank loan	**32,975**	296
Non-current		
Bank loan	**160,955**	-
	235,337	96,729
Borrowings directly associated with assets classified as held for sale (Note 18)	**(15,396)**	-
	219,941	96,729
Disclosed in the financial statements as:		
Current borrowings	**42,518**	12,857
Non-current borrowings	**177,423**	83,872
	219,941	96,729

15 Issued Capital

	2008 $'000	2007 $'000
90,013,394 fully paid ordinary shares (31 March 2007 71,195,705)	136,057	27,290

Fully paid ordinary shares carry one vote per share and carry the right to dividends.

Fully Paid Ordinary Shares	2008 No.'000	2008 $'000
Balance at beginning of financial year	**71,196**	27,290
Issue of shares as part consideration for acquisition of business (Note 4)	**18,817**	108,767
Balance at end of financial year	**90,013**	136,057

16 Retained Earnings

	2008 $'000	2007 $'000
Balance at beginning of financial year	**102,457**	92,870
Profit from ordinary activities after related income tax expense	**28,422**	22,399
Dividends provided for or paid (Note 22)	**(17,552)**	(12,812)
Balance at end of financial year	**113,327**	102,457

17 Notes to Statement of Cash Flows

	2008 $'000	2007 $'000
(a) Reconciliation of Cash		
Cash and cash equivalents	**4,044**	5,213
Bank overdraft	**(3,615)**	(5,113)
	429	100
Cash and cash equivalents attributable to discontinued operations	**169**	-
	598	100
(b) Reconciliation of profit for the period to net cash flows from operating activities		
Profit for the period	**28,422**	22,399
Gain on sale of non current assets	**(2,366)**	(708)
Depreciation and amortisation of non-current assets	**18,296**	11,867
Interest income received and receivable	**(834)**	(254)
(Increase)Decrease in current tax assets	**2,198**	(2,086)
Increase(Decrease) in current tax liability	**(4,495)**	45
Increase(Decrease) in deferred tax balances	**(208)**	4,160
Non-cash share based payments	**502**	-
Changes in net assets and liabilities, net of effects from acquisition and disposal of businesses:		
(Increase)/decrease in assets:		
current receivables	**(46,822)**	(11,793)
current inventories	**(12,519)**	1,145
other current assets	**1,697**	(114)
non-current receivables	**(2,597)**	(6,025)
non-current inventories	**2,922**	(2,579)
Increase/(decrease) in liabilities		
current payables	**39,149**	1,930
current provisions	**3,929**	(837)
non-current trade payables	**-**	(372)
non-current provisions	**541**	-
Net cash from operating activities	**27,816**	16,778

(c) Businesses acquired

During the current financial year, the businesses of Integrated Group Limited, Black and White Recruitment Solutions and Genesis Recruitmer were acquired. The amount paid in the previous financial year related to stamp duty assessed on the acquisition of Tungsten Group Pty Limited on the 10/10/2005.

The financial details of these acquisitions are:-

Consideration	2008 $'000	2007 $'000
Cash and cash equivalents	**127,920**	50

17 Notes to Statement of Cash Flows (continued)

(c) Businesses acquired (continued)

	2008 $'000	2007 $'000
Fair value of net assets acquired		
Current assets		
Cash	3,495	-
Receivables	78,208	-
Inventories	523	-
Non-current assets		
Property, plant & equipment	7,684	-
Deferred tax asset	7,371	-
Intangible assets	16,486	-
Current liabilities		
Trade and other payables	47,800	-
Bank overdraft	30,658	-
Borrowings	293	-
Current tax payables	2,404	-
Provisions	2,343	-
Non-current liabilities		
Borrowings	3,502	-
Deferred tax liabilities	1,836	-
Provisions	4,314	-
	20,617	-
Goodwill on acquisition	189,492	-
	210,109	-
Net cash outflow on acquisition		
Cash and cash equivalents consideration	101,342	-
Cash and cash equivalent balances acquired	27,163	50
	128,505	(50)

(d) Non-cash financing and investing activities

	2008 $'000	2007 $'000
Aggregate amount of property, plant and equipment acquired during the financial year by entering into hire purchase agreements and finance leases. These acquisitions are not reflected in the statement of cash flows	7,694	17,573

18 Discontinued operations

Plan to dispose of industrial services business, Barry Bros Specialised Services Pty Limited.
The company has signed a non-binding Heads of Agreement for the sale of the industrial services business, Barry Bros Specialised Services. Subject to completion of the conditions in the Heads of Agreement (including satisfactory completion of due diligence), the business is expected to be sold for $25 miliion, with completion targeted for 1 July 2008. (Note 23)

Profit for the year from discontinued operations:	**2008 $'000**	**2007 $'000**
Revenue	**39,746**	33,483
Other Income	**39**	147
Changes in inventories of finished goods and work in progress	**-**	-
Raw materials and consumables used	**(2,412)**	(2,212)
Employee benefits expenses	**(18,163)**	(14,391)
Sub Contractor expenses	**(2,926)**	(3,352)
Depreciation and amortisation expense	**(4,251)**	(3,727)
Finance costs	**(1,253)**	(1,124)
Equipment and motor vehicle costs	**(5,613)**	(4,474)
Information technology and telecommunications costs	**(333)**	(308)
Other expenses	**(3,086)**	(2,239)
Profit before income tax expense	**1,748**	1,803
Income tax expense	**(588)**	(566)
Profit from discontinued operations	**1,160**	1,237
Cash flows from discontinued operations:		
Net cash flows from operating activities	**5,891**	4,561
Net cash flows from investing activities	**(934)**	(713)
Net cash flows from financing activities	**(4,805)**	(3,543)
Net cash flows	**152**	305

18 Discontinued operations (continued)

The major classes of assets and liabilities comprising the operations classified as held for sale at balance date are as follows:

	2008 $'000	2007 $'000
Cash and cash equivalents	**169**	-
Trade and other receivables	**5,337**	-
Inventories	**88**	-
Other	**760**	-
Property, plant and equipment	**20,861**	-
Deferred tax assets	**386**	-
Total assets classified as held for sale	**27,601**	-
Trade and Other Payables	**(2,621)**	-
Borrowings	**(15,396)**	-
Deferred tax liabilities	**8**	-
Provisions	**(1,024)**	-
Total liabilities associated with assets classified as held for sale	**(19,033)**	-
Net assets classified as held for sale	**8,568**	-

19 Earnings per share

	2008 Cents per share	2007 Cents per share
Basic earnings per share	**32.9**	31.5
Diluted earnings per share	**32.6**	31.5

Basic Earnings per Share

The earnings and weighted average number of ordinary shares used in the calculation of basic earnings per share are as follows

	2008 $'000	2007 $'000
Earnings	**28,422**	22,399

	2008 $'000	2007 $'000
Weighted average number of ordinary shares	**86,517**	71,178

19 Earnings per share (continued)

Diluted Earnings per Share

The earnings and weighted average number of ordinary and potential ordinary and potential ordinary shares used in the calculation of diluted earnings per share are as follows:

	2008 $'000	2007 $'000
Earnings	**28,422**	22,399

Weighted average number of ordinary shares and potential ordinary in the calculation of diluted earnings per share reconciles to the average number of ordinary shares used in the calculation of basic per share as follows:

	2008 No.'000	2007 No.'000
Weighted average number of ordinary shares used in Basic EPS calculation	**86,517**	71,178
Weighted average number of ordinary shares and potential ordinary shares used in the calculation of diluted EPS	**87,076**	71,178

20 Net tangible assets per share

	2008 Cents per share	2007 Cents per share
Net Tangible Assets per ordinary share	**44.3**	175.9

21 Segment information

The following is an analysis of the Group's revenue by reportable operating segments for the periods under review:

a) Primary Segments

Segment Revenue	External Sales		Inter-segment(i)		Other		Total	
	2008 $'000	2007 $'000	2008 $'000	2007 $'000	2008 $'000	2007 $'000	2008 $'000	2007 $'000
Continuing operations:								
Property Maintenance Services	**267,063**	248,328	**-**	-	**68**	57	**267,131**	248,385
Facilities Management	**75,368**	50,505	**-**	-	**600**	24	**75,968**	50,529
Workforce	**324,151**	-	**4,867**	-	**-**	-	**329,018**	-
Marine	**168,985**	-	**128**	-	**-**	-	**169,113**	-
Other	**-**	-	**-**	-	**219**	348	**219**	348
Discontinued operations:								
Industrial Services	**39,605**	33,436	**-**	-	**141**	47	**39,746**	33,483
Total of all Segments	**875,172**	332,269	**4,995**	-	**1,028**	476	**881,195**	332,745
Eliminations							**(4,995)**	-
Unallocated							**834**	254
Consolidated Revenue							**877,034**	332,999

(i) Inter-segment sales are recorded at amounts equal to the competitive market prices charged to external customers for similar services
Revenue includes 10 months results of Workforce and Marine following the company's acquisition of the Integrated Group Ltd on the 7 June 2007.

21 Segment information (continued)

a) Primary Segments (continued)

Segment Results	2008 $'000	2007 $'000
Continuing operations:		
Property Maintenance Services	**30,285**	33,449
Facilities Management	**2,955**	2,907
Workforce	**8,714**	-
Marine	**12,565**	-
Total of all Segments	**54,519**	36,356
Non allocated amount of amortisation of identifiable intangible assets	**(3,164)**	(510)
Profit before interest and income tax expense	**51,355**	35,846
Net borrowing and financing charges	**(15,001)**	(5,096)
Profit before income tax expense	**36,354**	30,750
Income tax expense	**(9,092)**	(9,588)
Profit for the year from continuing operations	**27,262**	21,162
Discontinuing operations:		
Industrial Services	**3,001**	2,927
Net borrowing and financing charges	**(1,253)**	(1,124)
Profit before income tax expense	**1,748**	1,803
Income tax expense	**(588)**	(566)
Profit for the year from discontinuing operations	**1,160**	1,237
Profit for the year	**28,422**	**22,399**

Includes 10 months results of Workforce and Marine following the company's acquisition of the Integrated Group Ltd on 7 June 2007.

b) Secondary Segments

The Group operates in three principal geographic areas - Australia, New Zealand and the United Kingdom.
The Group's revenue by geographical location are as follows:

Segment Revenue	External Sales		Inter-segment(i)		Other		Total	
	2008 $'000	2007 $'000	2008 $'000	2007 $'000	2008 $'000	2007 $'000	2008 $'000	2007 $'000
Australia	**774,095**	266,046	**4,995**	-	**968**	449	**780,058**	266,495
New Zealand	**70,859**	40,474	**-**	-	**(9)**	(54)	**70,850**	40,420
United Kingdom	**30,218**	25,749	**-**	-	**69**	81	**30,287**	25,830
Total of all Segments	**875,172**	332,269	**4,995**	-	**1,028**	476	**881,195**	332,745
Eliminations							**(4,995)**	-
Unallocated							**834**	254
Consolidated Revenue							**877,034**	332,999

(i) Inter-segment sales are recorded at amounts equal to the competitive market prices charged to external customers for similar services.

22 Dividends

	2008		2007	
	Cents per Share	Total $'000	Cents per Share	Total $'000
Recognised Amounts				
Fully Paid Ordinary Shares				
Final Dividend				
- franked to 100% at 30% tax rate (2007:100%)	**10.0**	**9,001**	9.5	6,760
Interim Dividend				
- franked to 100% at 30% tax rate (2007: 100%)	**9.5**	**8,551**	8.5	6,052
		17,552		12,812
Unrecognised Amounts				
Fully Paid Ordinary Shares				
Final Dividend				
- franked to100% at 30% tax rate (2007: 100%)	**10.5**	**9,451**	9.5	6,760
		9,451		6,760

23 Subsequent Events

On 27 March 2008, Spotless Group Limited (“Spotless”), through its wholly owned subsidiary Spotless Investment Holdings Pty Ltd, announced its intention to make an offer for all of the shares it did not already own in the Company. Spotless issued an original bidder’s statement on 2 April 2008, followed by a supplementary bidder’s statement on 18 April 2008. The closing date of the offer was originally 26 May 2008, and this was extended on 19 May 2008 to close on 13 June 2008.

In its ASX announcement released on 16 April 2008, the Company’s Board of Directors unanimously recommended that the Company’s shareholders reject the Spotless offer. In the Target’s Statement issued on 7 May 2008, the Board explained explained in detail the reasons for the recommendation to reject the offer.

On 16 April 2008, the Company announced a number of new initiatives that are focused on continuing the Company’s strong track record of earnings growth while expanding its range of services.

The Company has signed a non-binding Heads of Agreement to acquire SWG, a Western Australian based services company specialising in the provision of installation, minor capital works and maintenance services to the oil and gas and mining sectors. Headquartered in Bunbury with an office in Perth, SWG provides services in Australia and Asia. The proposed acquisition of SWG will further expand the Company’s existing operations in the oil and gas and mining sectors and will complement the Company’s existing capabilities in both its Marine and Workforce divisions.

Consideration for the acquisition is $40 million to be paid in the Company’s ordinary shares, and the acquisition is targeted for completion by 1 July 2008. The acquisition is subject to due diligence and approval by the Company’s shareholders. Due diligence has commenced and no issues have arisen to date to suggest the acquisition will not be completed within the timescale contemplated. Further performance consideration will be paid, in the form of the Company’s ordinary shares, if average EBITA over the next three years exceeds $10 million. SWG is projected to earn $10 million in EBITA in the financial year ending 31 March 2009.

In addition to the proposed acquisition of SWG, the Company has entered into a non-binding Heads of Agreement for the sale of the industrial services business, Barry Bros., to Tox Free Solutions Limited for $25 million, with completion targeted for 1 July 2008. The proceeds of both divestments will be used to reduce the Company’s borrowings.

Apart from the above, there has not been any matter or circumstance, other than that referred to in the financial statements or notes thereto, that has arisen since the end of the financial year, that has significantly affected, or may significantly affect, the operations of the consolidated entity, the results of those operations, or the state of affairs of the consolidated entity in future financial years.

24 Other Information

Information on Audit or Review

This preliminary final report is based upon the financial statements which are in the process of being audited

Annual General Meeting

The Annual General Meeting will be held as follows:-

Place: Deloitte Touche Tohmatsu, 180 Lonsdale Street,
Melbourne, Victoria
Date: Friday, 8th August 2008
Time: 11:00am

The approximate date the Annual Report will be available is 4th July 2008.