



▶▶▶ ASX Announcement

9 July 2008

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

Dear Sir,

2008 AGM Mailing

Under Listing Rule 3.17, please find attached the following documents relating to the Annual General Meeting of Programmed Maintenance Services Limited to be held on Friday 8 August 2008 which are being mailed to shareholders:-

- (a) Covering letter from the Chairman
- (b) Notice of Meeting
- (c) Explanatory Notes on the Resolutions
- (d) Proxy Form

Yours sincerely,
PROGRAMMED MAINTENANCE SERVICES LIMITED

A handwritten signature in black ink that reads "Ian H. Jones".

Ian H. Jones
Secretary

For personal use only

8 July 2008

Dear Shareholder,

I have pleasure in inviting you to attend our 2008 Annual General Meeting and have enclosed the Notice of Meeting which sets out the items of business. The meeting will be held at the offices of Deloitte Touche Tohmatsu, 180 Lonsdale Street, Melbourne, Victoria, on Friday, 8th August 2008 at 11:00am.

If you are attending this meeting, please bring this letter with you to facilitate your registration into the meeting.

If you are unable to attend the meeting, you are encouraged to complete the enclosed proxy form. The proxy form should be returned in the envelope provided or faxed to our share registry on (03) 9473 2555 so that it is received at least 48 hours before the meeting (that is, by 11:00am on Wednesday, 6th August 2008).

Corporate shareholders who wish to attend will be required to complete a "Certificate of Appointment of Representative" to enable a person to attend on their behalf. A form of this certificate may be obtained from the Company's share registry.

I look forward to your attendance at the meeting.

Yours sincerely,

PROGRAMMED MAINTENANCE SERVICES LIMITED

G. A. Tomlinson
Chairman

Encl.

Notice of Annual General Meeting FRIDAY 8th AUGUST 2008

Programmed Maintenance Services Limited
ABN 61 054 742 264
Level 3, 100 Dorcas Street, South Melbourne, Victoria, 3205

NOTICE IS HEREBY GIVEN that the Annual General Meeting of Shareholders in the Company will be held at the offices of Deloitte Touche Tohmatsu, 180 Lonsdale Street, Melbourne, Victoria on Friday, 8th August 2008 at 11:00am.

Ordinary Business and Special Business

1. To receive and consider the financial statements of the Company and its controlled entities for the year ended 31st March 2008 and the related reports of the Directors and Auditors thereon.
2. To receive and adopt the Remuneration Report (contained in the Directors' Report) for the year ended 31st March 2008.
3. To re-elect a Director. A present Director, Mr. B.J. Pollock, is retiring by rotation in accordance with Rule 69 of the Company's Constitution and, being eligible, offers himself for re-election.
4. To consider, and if thought fit, pass the following resolution as an ordinary resolution:-

That for all purposes (including Listing Rule 10.14) the Company approves and authorises the issue to the Company's Managing Director, Mr. Chris Sutherland, of:-

- (a) performance rights and performance options in accordance with his Executive Service Agreement with the Company; and
- (b) shares in the Company on the exercise of some or all of those performance rights and performance options in accordance with the criteria set out in the Executive Service Agreement,

as further explained in the explanatory notes accompanying this notice of meeting.

***Voting exclusion:** The Company will disregard any votes cast on this resolution 4 by any director of the Company (except one who is ineligible to participate in any employee incentive scheme in relation to the Company) and any associates of such persons. However, the Company will not disregard a vote if it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form, or it is cast by the person chairing the meeting as proxy for a person who is entitled to vote, in accordance with a direction on the proxy form to vote as the proxy decides.*

5. Other Business. To transact any other business that may be brought forward in accordance with the Company's Constitution and the Corporations Act 2001.

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DATED this 4th day of July 2008

BY ORDER OF THE BOARD

I.H. Jones
Secretary

VOTING ENTITLEMENTS

For the purpose of the Corporations Act 2001, the Company has determined that all securities of the Company that are quoted securities at 7:00pm Australian Eastern Standard Time on Wednesday 6th August 2008 will be taken, for the purpose of the Meeting, to be held by the persons who held them at the time.

PROXIES

A shareholder has the right to appoint a proxy who need not be a shareholder of the Company. If a shareholder is entitled to cast two or more votes they may appoint two proxies and may specify the percentage of votes each proxy is appointed to exercise. The Proxy Form must be deposited at the share registry of the Company, Computershare Investor Services Pty. Ltd., GPO Box 242 Melbourne Victoria 3001 or at the Company's registered office, Level 3, 100 Dorcas Street, South Melbourne, Victoria 3205 or by facsimile to Computershare on (03) 9473 2555 or to the Company on (03) 8676 5597 at least 48 hours before the meeting (that is, by 11:00am on Wednesday, 6th August 2008).

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EXPLANATORY NOTES ON THE RESOLUTIONS

Resolution 1 – Financial Report

The Financial Report of the Company and the consolidated entity and the reports of Directors and Auditors thereon are set out in the 2008 Annual Report.

The Australian Government recently amended the Corporations Act 2001 to allow the default option for receiving annual reports to be via a company's website. The Company wrote to shareholders in March 2008 advising them of this change and allowing them to elect to continue receiving a printed copy of the annual report. In accordance with these recent legislative changes, a printed copy of the 2008 Annual Report has only been sent to those shareholders who have elected to receive one. Shareholders can access a copy of the 2008 Annual Report on the Company's website www.pmsgroup.com.au or can request a printed copy (free of charge) by contacting the Company Secretary on (03) 8676 5522 or by email to ijones@pmsltd.com.au.

During this item, shareholders will be given a reasonable opportunity to ask questions about, and make comments, on the reports and the Company's management, business, operations, financial performance and business strategies. Shareholders will also be given a reasonable opportunity to ask a representative of the Company's auditors, Deloitte Touche Tohmatsu, questions relevant to the conduct of the audit, the preparation and content of the Auditor's Report, the accounting policies adopted by the Company in relation to the preparation of the financial statements, and the independence of the auditors in relation to the conduct of the audit.

Written questions can be submitted by writing to the Company Secretary at the registered address or by email to ijones@pmsltd.com.au. The Chairman and the auditors' representative will answer as many of these questions as possible during the Annual General Meeting.

Resolution 2 – Remuneration Report

Directors of listed public companies are required to provide detailed disclosure of director and senior executive remuneration in the Directors' Report. These disclosures are set out in the Remuneration Report on pages 22 to 27 of the 2008 Annual Report.

The vote on this resolution is advisory only, and does not bind the Directors or the Company. However, the Directors will take the outcome of the vote into consideration when determining the future remuneration policies for directors and executives.

Resolution 3 – Re-election of Director

A summary of the biographical data on the director offering himself for re-election is set out below:-

Brian Pollock

A Non-Executive Director since August 1999, Mr Pollock has over 30 years experience in the finance and property industry with the AMP Society and National Mutual. He is chairman of Clive Peeters Limited, Becton Property Group Limited, A.E. Smith & Son Pty. Ltd. and the Macquarie Real Estate Equity Funds Pty Ltd Group of Companies. He is also a director of Industry Super Holdings Pty. Ltd., Members Equity Bank Pty. Ltd., Industry Funds Management Pty. Ltd and associated companies. He is a Fellow of the Australian Property Institute and a Senior Associate of the Australian and New Zealand Institute of Insurance and Finance. He was National President of the Property Council of Australia in 1993 and 1994. Age 62.

Resolution 4 — Approval to issue performance rights and performance options to the Managing Director

As announced to ASX on 7 January 2008, and as disclosed in the Remuneration Report set out on pages 22 to 27 of the 2008 Annual Report, the remuneration of the Company's Managing Director, Chris Sutherland (in accordance with his Executive Service Agreement) comprises:-

- fixed annual remuneration (being a base salary, superannuation contribution and benefits in accordance with Company policies);
- a short term incentive bonus ("STI") of up to 50% of fixed annual remuneration payable in the Company's shares or cash upon the achievement of key performance indicators (to be agreed between Mr Sutherland and the Board), and
- a long term incentive plan ("LTI") which takes the form of an issue of performance rights and performance options

In relation to the LTI component, the Executive Service Agreement provides that Mr Sutherland will be allocated 180,000 Performance Rights (with effect from the date of his commencement as Managing Director) which will vest in three equal tranches – being one third (60,000) on the third anniversary of his commencement; one third (60,000) on the fourth anniversary of his commencement; and the final third (60,000) on the fifth anniversary of his commencement.

The exercise of these Performance Rights is subject to the performance criteria discussed below. Each Performance Right will, if exercised, convert into one fully paid ordinary share in Company. No amount is payable by Mr Sutherland on the exercise of a Performance Right.

The Executive Service Agreement also provides that Mr Sutherland will be allocated 450,000 Performance Options as follows:

- 150,000 to be issued with effect from the date of his commencement as Managing Director and exercisable on the third anniversary of such date;
- 150,000 to be issued on the first anniversary of his commencement and to become exercisable on the fourth anniversary of his commencement; and
- 150,000 to be issued on the second anniversary of his commencement and to become exercisable on the fifth anniversary of his commencement.

The exercise of these Performance Options (which will, if exercised, each convert into one fully paid ordinary share in the Company) is also subject to the satisfaction of performance criteria (discussed below) and Mr Sutherland must pay the Company the exercise price to exercise each option. The exercise price for each of the three tranches will be the volume weighted average market price of the Company's shares on ASX for the five trading days prior to the issue (or deemed issue) of these Performance Options.

Therefore, in summary, Mr Sutherland's Executive Service Agreement provides that he will receive the following LTI components:-

	Number Issued	Actual or effective Issue Date	Vesting Date	Expiry Date	Exercise Price
Performance Rights					
Tranche PR-2	60,000	21/01/2008	21/01/2011	21/01/2012	Nil
Tranche PR-3	60,000	21/01/2008	21/01/2012	21/01/2013	Nil
Tranche PR-4	60,000	21/01/2008	21/01/2013	21/01/2014	Nil
Total	180,000				
Performance Options					
Tranche PO-1	150,000	21/01/2008	21/01/2011	21/01/2012	\$4.82
Tranche PO-2	150,000	21/01/2009	21/01/2012	21/01/2013	*
Tranche PO-3	150,000	21/01/2010	21/01/2013	21/01/2014	*
Total	450,000				

* - The exercise price will be the volume weighted average price of the Company's shares traded on the ASX for five days prior to the date of issue.

In determining these LTI arrangements, the Directors took into account the nature of Mr Sutherland's position, the function and purpose of the long term incentive component of the Company's remuneration strategy, benchmarking against the practices of its Australian peer companies and other relevant information provided by external remuneration consultants.

The ability of Mr Sutherland to exercise the Performance Rights and Performance Options referred to above is subject to satisfaction of the performance criteria that have been determined by the Board. These performance criteria are based on the Company's performance ranking over the relevant period (the "Performance Period") and determined by reference to the total shareholder return ("TSR") of the Company over the Performance Period when compared with the TSR for each company in a group of peer companies. These peer companies are those listed in the S&P/ASX 300 (ranked by market capitalisation) after excluding resource companies, banks and listed property trusts. A peer company must have been in the S&P/ASX 300 for the entire Performance Period (that is, new entrants and companies dropping out of that index will be excluded).

The Company's performance ranking within that group of peer companies at the end of the relevant Performance Period determines the number Performance Rights and Performance Options in each tranche that may be exercised by Mr Sutherland, as follows:

Performance Criteria	Performance Rights and Performance Options exercisable
Below 50 th percentile	None exercisable
At 50 th percentile	50% of Performance Rights or Performance Options (as applicable) exercisable
Between 50 th and 75 th percentile (inclusive)	Exercisable Performance Rights or Performance Options (as applicable) to be determined on a pro-rata basis between 50% and 100% depending upon Company's percentile ranking
Above 76 th percentile	100% of Performance Rights or Performance Options (as applicable) exercisable

Any Performance Rights or Performance Options that become capable of exercise may be exercised from the day following the last day of the relevant Performance Period, and will remain capable of exercise for 12 months. Any Performance Rights or Performance Options in a tranche that do not become capable of exercise, or that are not exercised within this 12 month window, will lapse.

If there is a change of control event, then unvested Performance Rights and Performance Options will vest, with the implied price of the Company's shares (on completion of any takeover or scheme of arrangement) being used to determine the Company's percentile performance ranking.

In the event of any capital reconstruction (such as a bonus issue or rights issue) the number of Performance Rights and Performance Options will be adjusted, at the discretion of the Board, in proportion to the impact of the capital reconstruction.

ASX Listing Rule 10.14 provides that a Company must not permit a director to acquire securities under an employee incentive scheme (such as Mr Sutherland's short term and long term incentive arrangements in his Executive Service Agreement) without the approval of shareholders. Although Mr Sutherland was not a director at the time he entered into the Executive Service Agreement, it was contemplated that he would shortly become one. For this reason, and as a matter of good corporate governance, the Executive Service Agreement provides that these LTI arrangements are subject to approval by shareholders. Approval under Listing Rule 10.14 is an exception to the prohibition on a company issuing shares to related parties under Listing Rule 10.11.

In accordance with the information requirements of Listing Rule 10.15A, the Company provides the following information:

- The only participant in these arrangements is Mr Sutherland, the Company's Managing Director.
- The maximum number of securities that may be issued pursuant to these arrangements is 180,000 Performance Rights and 450,000 Performance Options. If all of the performance criteria are satisfied, and Mr Sutherland seeks to exercise each of these rights and options, he would receive a maximum of 630,000 fully paid ordinary shares in the Company.
- No amount is payable by Mr Sutherland upon the exercise of a Performance Right (but the relevant performance criteria must first be satisfied). Each Performance Option will have an exercise price. For the first tranche of 150,000 options, this has been set at \$4.82 per option. For tranches 2 and 3 of the Performance Options, this will be the volume weighted average price of the Company's shares traded on the ASX for five days prior to the date of issue of those options.
- Mr Sutherland is the only person eligible to participate in this LTI arrangement (and no securities have previously been issued to him or any other person under or in respect of it).
- No loan is being made available to Mr Sutherland in connection with these LTI arrangements.
- Details of any securities issued under these LTI arrangements will be published in each annual report of the Company relating to a period in which securities have been issued. Such annual report will also note that approval for the issue was obtained under Listing Rule 10.14.
- The Performance Rights and the first tranche of the Performance Options will be issued to Mr Sutherland as soon as practicable following shareholder approval (and will be deemed, for the purposes of the LTI, to have been issued with effect from the date of his commencement as Managing Director). Performance Options in tranches 2 and 3 will be issued on 21 January 2009 and 2010 respectively (and in any event, by no later than 3 years after the date of the meeting).

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In the non-executive Directors' view, it is in the best interests of shareholders to approve the share-based LTI arrangements for the Company's Managing Director, Chris Sutherland, because they appropriately align his remuneration with shareholder returns due to the significant performance criteria the Company must achieve for the LTI components to become exercisable. The non-executive Directors therefore recommend that shareholders approve this resolution.

It should also be noted that, in accordance with his Executive Service Agreement Mr Sutherland may elect to take his STI entitlement in any given year in the form of the Company's shares under, and in accordance with, the Company's existing Employee Share Acquisition Scheme (which shares will be purchased by the trustee of that scheme on market).

GLOSSARY

ASX means ASX Limited, or the market operated by it (As the context requires).

Director means a director of the Company.

Board means the board of Directors of the Company.

Listing Rules means the listing rules of the ASX.

LTI means the long term incentive arrangements for the Company's Managing Director, Mr Chris Sutherland, described in the explanatory notes to resolution 4.

Performance Options means the performance options to be issued to the Company's Managing Director, Mr Chris Sutherland, as discussed in the in the explanatory notes to resolution 4.

Performance Period has the meaning given to it in the explanatory notes to resolution 4.

Performance Rights means the performance rights to be issued to the Company's Managing Director, Mr Chris Sutherland, as discussed in the in the explanatory notes to resolution 4.

Shares means fully paid ordinary shares in the capital of the Company.

STI means the short term incentive arrangements for the Company's Managing Director, Mr Chris Sutherland, described in the explanatory notes to resolution 4.

TSR means total shareholder return.



ABN 61 054 742 264

Lodge your vote:

Online:
www.investorvote.com.au

By Mail:
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia

Alternatively you can fax your form to
+61 3 9473 2555

For all enquiries call:

(within Australia) 1300 850 505
(outside Australia) +61 3 9415 4000

MR JOHN SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Proxy Form



Vote online or view the annual report, 24 hours a day, 7 days a week:

www.investorvote.com.au

- Cast your proxy vote**
- Access the annual report**
- Review and update your securityholding**

Your secure access information is:

Control Number: 123456

SRN/HIN: I1234567890 **PIN:** 123456

PLEASE NOTE: For security reasons it is important that you keep your SRN/HIN confidential.

For your vote to be effective it must be received by 11.00am (AEST) Wednesday 6 August 2008

How to Vote on Items of Business

All your securities will be voted in accordance with your directions.

Appointment of Proxy

Voting 100% of your holding: Direct your proxy how to vote by marking one of the boxes opposite each item of business. If you do not mark a box your proxy may vote as they choose. If you mark more than one box on an item your vote will be invalid on that item.

Voting a portion of your holding: Indicate a portion of your voting rights by inserting the percentage or number of securities you wish to vote in the For, Against or Abstain box or boxes. The sum of the votes cast must not exceed your voting entitlement or 100%.

Appointing a second proxy: You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you appoint two proxies you must specify the percentage of votes or number of securities for each proxy, otherwise each proxy may exercise half of the votes. When appointing a second proxy write both names and the percentage of votes or number of securities for each in Step 1 overleaf.

A proxy need not be a securityholder of the Company.

Signing Instructions for Postal Forms

Individual: Where the holding is in one name, the securityholder must sign.

Joint Holding: Where the holding is in more than one name, all of the securityholders should sign.

Power of Attorney: If you have not already lodged the Power of Attorney with the registry, please attach a certified photocopy of the Power of Attorney to this form when you return it.

Companies: Where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please sign in the appropriate place to indicate the office held.

Attending the Meeting

Bring this form to assist registration. If a representative of a corporate securityholder or proxy is to attend the meeting you will need to provide the appropriate "Certificate of Appointment of Corporate Representative" prior to admission. A form of the certificate may be obtained from Computershare or online at www.computershare.com.

Comments & Questions: If you have any comments or questions for the company, please write them on a separate sheet of paper and return with this form.

**GO ONLINE TO VOTE,
or turn over to complete the form →**

MR JOHN SAMPLE
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Change of address. If incorrect, mark this box and make the correction in the space to the left. Securityholders sponsored by a broker (reference number commences with 'X') should advise your broker of any changes.



I 123456789

IND

Proxy Form

Please mark to indicate your directions

STEP 1 Appoint a Proxy to Vote on Your Behalf

XX

I/We being a member/s of Programmed Maintenance Services hereby appoint

the Chairman of the Meeting **OR**

PLEASE NOTE: Leave this box blank if you have selected the Chairman of the Meeting. Do not insert your own name(s).

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of Programmed Maintenance Services Limited to be held at Deloitte Touche Tohmatsu, 180 Lonsdale Street, Melbourne, Vic 08/08/2008 at 11.00am and at any adjournment of that meeting.

IMPORTANT FOR ITEM 4: If the Chairman of the Meeting is your proxy and you have not directed him/her how to vote on Item 4 below, please place a mark in this section. If you do not mark this box and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Item 4 and your votes will not be counted in the computing the required majority if a poll is called on this Item. The Chairman of the Meeting intends to vote undirected proxies in favour of Item 4 of business.

I/We acknowledge that the Chairman of the Meeting may exercise my proxy even if he/she has an interest in the outcome of that Item and that votes cast by him/her, other than as proxy holder, would be disregarded because of that interest.

STEP 2 Items of Business

PLEASE NOTE: If you mark the **Abstain** box for an item, you are directing your proxy not to vote on your behalf on a show of hands or a poll and your votes will not be counted in computing the required majority.

ORDINARY BUSINESS

		For	Against	Abstain
Item 1	Adoption of Financial Statements and Reports	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 2	Adoption of the Remuneration Report	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 3	To re-elect a Director - Mr B.J. Pollock	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Item 4	To approve long term incentives for the Managing Director	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

The Chairman of the Meeting intends to vote undirected proxies in favour of each item of business.

SIGN Signature of Securityholder(s) *This section must be completed.*

Individual or Securityholder 1

Sole Director and Sole Company Secretary

Securityholder 2

Director

Securityholder 3

Director/Company Secretary

Contact Name _____

Contact Daytime Telephone _____ Date ____/____/____