

# ASX Release

Thursday 5 November 2009

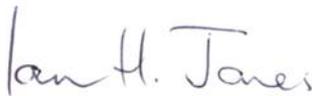
Company Announcements Office  
ASX Limited  
Exchange Centre  
Level 4  
20 Bridge Street  
Sydney NSW 2000

Dear Sir,

## Retail Entitlement Offer Booklet

Please find attached the booklet being sent to eligible retail shareholders regarding the 4 for 19 non-renounceable pro-rata entitlement offer announced on 29 October 2009.

Yours sincerely,  
**PROGRAMMED MAINTENANCE SERVICES LIMITED**



Ian H. Jones  
Company Secretary

For personal use only



**PROGRAMMED**  
**Group**



For personal use only

Programmed Maintenance Services Limited

# Retail Entitlement Offer

Details of a 4 for 19 accelerated non-renounceable pro rata entitlement offer of shares in Programmed at \$3.80 per New Share



The Retail Entitlement Offer closes at  
5.00pm (Melbourne time) on 24 November 2009

**NOT FOR RELEASE OR DISTRIBUTION IN THE UNITED STATES OR TO U.S. PERSONS**

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# Contents

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Chairman's Letter	4
Investor Presentation	7
How to Apply	30
Key Offer Dates	33
Glossary	34

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## Important information

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This booklet and the accompanying information ("**Information**") have been prepared by **Programmed Maintenance Services Limited** ("**Programmed**") ABN 61 054 742 264.

The Information is not a prospectus under the Corporations Act and has not been lodged with the Australian Securities and Investments Commission.

### Offering presentation

This Information relates to an accelerated non-renounceable pro rata entitlement offer ("**Entitlement Offer**").

### Not financial product advice

The Information is not financial product advice, does not purport to contain all the information that you may require in evaluating a possible acquisition of New Shares in Programmed and has been prepared without taking into account the investment objectives, financial situation or needs of you or any particular investor.

You should conduct your own independent review, investigation and analysis of Programmed and the New Shares which are the subject of the Entitlement Offer. You should obtain any professional advice you require to evaluate the merits and risks of an investment in Programmed before making any investment decision based on your investment objectives.

### Presentation of general background

The Investor Presentation attached is a presentation of general background information, information about the acquisition of KLM Group ("**KLM**") and about Programmed's activities current at 29 October 2009. It is information in a summary form and does not purport to be complete. It should be read in

conjunction with Programmed's other periodic and continuous disclosure announcements including the Programmed annual report lodged with the Australian Securities Exchange (ASX) on 8 July 2009 and announcements to the ASX available at [www.programmed.com.au](http://www.programmed.com.au) or [www.asx.com.au](http://www.asx.com.au).

### Foreign jurisdictions

This Information is being sent to all Shareholders as at 7pm on 4 November 2009 with a registered address in Australia or New Zealand.

This Information does not constitute an offer in any jurisdiction in which, or to any person to whom, it would not be lawful to make such an offer and no action has been taken to register the New Shares or otherwise permit a public offering of the New Shares in any jurisdiction other than Australia and New Zealand. Return of the Entitlement and Acceptance Form or payment by BPAY® in accordance with the Entitlement and Acceptance Form shall be taken by Programmed to constitute a representation by you that there has been no breach of any such laws. Eligible Shareholders who are nominees, trustees or custodians are therefore advised to seek independent advice as to how to proceed.

The distribution of this document outside Australia or New Zealand may be restricted by law. In particular, this document or any copy of it must not be taken into or distributed in the United States or distributed to any U.S. Person (as defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "**U.S. Securities Act**")) ("**U.S. Person**") or to any person acting for the account or benefit of a U.S. Person. Persons who come into possession of this document should seek advice on and observe any such restrictions. Any failure to comply with such restrictions may constitute a violation of applicable securities laws.

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# Important Information

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This document does not constitute an offer to sell, or the solicitation of an offer to buy, any New Shares in the United States or to any U.S. Person. New Shares may not be offered or sold in the United States absent registration or an exemption from registration under the U.S. Securities Act. The New Shares to be offered and sold in the Offer have not been and will not be registered under the U.S. Securities Act or under the securities laws of any state or other jurisdiction of the United States. Accordingly, the New Shares in this Entitlement Offer may only be offered and sold outside the United States, to persons that are not U.S. Persons or acting for the account or benefit of U.S. Persons.

## **Governing law**

This Information, the Entitlement Offer and the contracts formed on receipt of your Application are governed by the law applicable in Victoria, Australia. Each Shareholder who applies for New Shares submits to the jurisdiction of the courts of Victoria, Australia.

## **Future performance**

This Information may contain certain forward-looking statements. The words "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "plan" and other similar expressions are intended to identify forward-looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Due care and attention has been used in the preparation of forecast information. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Programmed, that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. You should also have regard to the risks section of the Investor Presentation.

## **Financial data**

All dollar values are in Australian dollars (A\$).

## **Disclaimer of representatives**

No person is authorised to give any information, or to make any representation, in connection with the Retail Entitlement Offer that is not contained in this Offer Booklet.

Any information or representation that is not in this Offer Booklet may not be relied on as having been authorised by Programmed or its related bodies corporation in connection with the Retail Entitlement Offer. Except as required by law, and only to the extent so required, none of Programmed, or any other person, warrants or guarantees the future performance of Programmed or any return on any investment made pursuant to this Offer Booklet.

## **Defined term**

Terms used in this Offer Booklet are defined in the glossary on page 34.

5 November 2009.

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# Chairman's Letter

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Thursday, 5 November 2009

Dear Shareholder

## **Programmed Maintenance Services Limited – Accelerated Non-Renounceable Pro Rata Entitlement Offer**

On Thursday 29 October 2009 Programmed Maintenance Services Limited ("**Programmed**" or the "**The Company**") announced that it had signed a Takeover Bid Implementation Agreement with KLM Group ("**KLM**") under which Programmed will make an off-market takeover bid to acquire all of the issued shares in KLM for a total consideration of \$28.1 million cash ("**Proposed Offer**"). Under the Proposed Offer, each KLM shareholder will receive \$0.47 per KLM share payable in cash.

### **The capital raising**

On Thursday 29 October 2009 Programmed also announced that it is undertaking an equity raising through a 4-for-19 non-renounceable, pro rata entitlement offer ("Entitlement Offer") at an issue price of \$3.80 per share ("New Share"). The purpose of the equity raising is to fund the acquisition of KLM and other potential acquisitions. The equity raising has been structured as follows:

- An underwritten institutional component which raised \$53.5 million ("Institutional Entitlement Offer") and was completed on Friday 30 October 2009; and
- A non-underwritten retail component ("Retail Entitlement Offer") which is expected to raise \$8 million to \$13 million.<sup>1</sup>

The Entitlement Offer will proceed irrespective of whether or not the acquisition of KLM is completed. To the extent the KLM acquisition is not completed the funds raised will be available to fund other acquisitions or for general corporate purposes.

The issue price represents a 9.8% discount to the theoretical ex rights price of \$4.21 and a 15.7% discount to the five day volume weighted average price of Programmed shares (\$4.51) for the five trading days before the announcement of the takeover offer and capital raising.

This Offer Booklet relates to the Retail Entitlement Offer. The Retail Entitlement Offer is not underwritten.

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<sup>1</sup> Based on a register split of approximately 67% institutional shareholders and approximately 33% retail shareholders and assumes a participation rate among retail shareholders of 30% to 50%. The maximum amount that can be raised, based on an institutional component of \$53.5 million and assuming full participation in the Retail Entitlement Offer, is \$79.7 million.

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# Chairman's Letter

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If you are able to participate, you have one of the following three options:

- ▶ take up all of your Entitlement;
- ▶ take up part of your Entitlement; or
- ▶ do nothing and allow your Entitlement to lapse.

The Retail Entitlement Offer is not renounceable and therefore your entitlements will not be tradeable on the ASX or otherwise transferable. This means that eligible Shareholders who do not take up their entitlements will not receive any value for those entitlements and their proportionate economic interest in Programmed will be diluted.

## **The acquisition of KLM**

KLM is listed on the Australian Stock Exchange (ASX code: KLM) and specialises in the design, installation and maintenance of integrated electrical and communications systems. An acquisition of KLM has a number of key strategic benefits for Programmed:

- ▶ it broadens Programmed's service offering (electrical, communication, integration services);
- ▶ it provides additional services (currently outsourced) to support facilities management contracts; and
- ▶ it enables use of Programmed's client base and branch network to grow KLM's business.

The takeover offer for KLM is unanimously recommended by the KLM Board (in the absence of a superior proposal).

You will find enclosed with this letter a number of important documents, including:

- ▶ an Investor Presentation that was released to the Australian Securities Exchange ("**ASX**") providing information on Programmed, the acquisition of KLM, the impact of the Entitlement Offer and key risks for you to consider;
- ▶ instructions on "How to apply", detailing how to participate in the Retail Entitlement Offer if you choose to do so, including a timetable of key dates; and
- ▶ a personalised entitlement and acceptance form which details your Entitlement, to be completed in accordance with the instructions provided ("**Entitlement and Acceptance Form**").

**The Retail Entitlement Offer closes at 5.00pm (Melbourne time) on Tuesday 24 November 2009.**

To participate in the Retail Entitlement Offer, you must apply for New Shares on or before this date otherwise your Entitlement will lapse.

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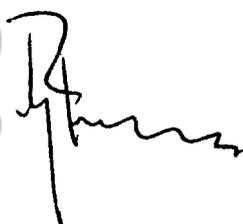
# Chairman's Letter

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Further details on how to submit your Application are set out in this Offer Booklet. If you have any questions about the Retail Entitlement Offer, please call the Programmed Shareholder Information Line on 1300 850 505 (local call cost from within Australia) or +61 3 9415 4000 (from outside Australia) at any time between 8:30am to 5.00pm (Melbourne time) Monday to Friday. If you have any doubt as to whether you should participate you should consult your stockbroker, accountant or other independent financial adviser.

On behalf of the Board of Programmed, I encourage you to consider this investment opportunity and thank you for your ongoing support of Programmed.

Yours faithfully



Geoffrey Tomlinson  
**Chairman**  
**Programmed Maintenance Services Limited**

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**PROGRAMMED**  
**Group**

**PRESENTATION TO INVESTORS**

**Takeover Offer for KLM Group**

**Equity raising: 4-for-19 non-renounceable, pro-rata entitlement offer**



**PRESENTED BY** Chris Sutherland

Managing Director, Programmed Group (Programmed)

29 October 2009

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## **Presentation of general background**

This Presentation is of general background information about Programmed's activities current as at the date of the Presentation, 29 October 2009. It is information in a summary form and does not purport to be complete. It should be read in conjunction with Programmed's other periodic and continuous disclosure announcements, including the Programmed 2009 Annual Report lodged with the Australian Securities Exchange ("ASX") on 8 July 2009 and announcements to the ASX available at [www.asx.com.au](http://www.asx.com.au).

## **Not an offer - Not investment advice**

This Presentation is not a prospectus or a product disclosure statement under the Corporations Act and has not been lodged with the Australian Securities and Investments Commission ("ASIC"). The Entitlement Offer to which this presentation relates complies with the requirements of section 708AA of the Corporations Act as modified by ASIC Class Order 08/35, and a Cleansing Notice complying with that section has been lodged with ASX.

The information contained in this Presentation is for information purposes only and does not constitute an offer to issue, securities or other financial products. The information provided in this Presentation is not intended to be relied upon as advice to investors or potential investors and has been prepared without taking into account the recipient's investment objectives, financial circumstances or particular needs. Before making an investment decision, you should consider, with or without the assistance of a financial adviser, whether an investment is appropriate in light of your particular investment needs, objectives and financial circumstances.

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## **Future performance**

This Presentation may contain certain "forward-looking statements". The words "anticipate", "believe", "expect", "project", "forecast", "estimate", "likely", "intend", "should", "could", "may", "target", "plan" and other similar expressions are intended to identify forward looking statements. Indications of, and guidance on, future earnings and financial position and performance are also forward-looking statements. Due care and attention have been used in the preparation of forecast information. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties and other factors, many of which are beyond the control of Programmed that may cause actual results to differ materially from those expressed or implied in such statements. There can be no assurance that actual outcomes will not differ materially from these statements. Recipients should also have regard to the risks set out in this Presentation.

## **Financial data**

All dollar values are in Australian dollars (A\$).



## Overview

- ▲ Programmed proposes acquiring KLM for \$28.1 million cash (\$0.47 per KLM share)
- ▲ The proposed transaction has been unanimously recommended by the KLM Board
- ▲ KLM provides design, installation and maintenance of integrated electrical and communications systems and asset management services
- ▲ An acquisition of KLM has a number of key strategic benefits for Programmed
  - Broadens service offering (electrical, communication, integration services)
  - Additional services (currently outsourced) to support facilities management contracts
  - Enables use of Programmed's client base and branch network to grow KLM's business
- ▲ The acquisition of KLM is expected to be EPS accretive in FY10 (on a pro forma basis)<sup>1</sup>
- ▲ Programmed is undertaking an equity raising through a 4-for-19 non-renounceable, pro-rata entitlement offer
  - Underwritten institutional component of \$50 million
  - Non-underwritten retail component is expected to raise \$9 to \$15<sup>2</sup> million
  - Proceeds used to fund the KLM acquisition and other potential acquisitions
  - The entitlement offer will proceed whether or not the acquisition of KLM group is completed

1. EPS refers to Earnings Per Share. Pro forma basis assumes Programmed had acquired KLM on 1 April 2009 and receives a full 12 month contribution from KLM during the financial year ending 31 March 2010, the \$28.1 million purchase price being funded by the issue of 7.4 million shares at a price of \$3.80 per share.

2. Assumes a register split of 63% institutional shareholders and 37% retail shareholders and a participation rate among retail shareholders of 30% to 50%. The maximum amount that can be raised, based on an institutional component of \$50m and assuming full participation in the retail component, is \$79.7 million.



# 1. KLM Group

## Overview

- ▲ KLM is a national business, providing design, installation, integration and maintenance services in the electrical and communications sector
  - Commenced operations in 1981 as an electrical contractor
  - Expanded into data cabling, audio-visual and building integration services
  - Listed on the ASX in 2003
  - National presence with over 700 employees
  - Revenue of \$161.2 million and EBIT of \$1.83 million (year ending 30 June 2009)<sup>1</sup>
  - First quarter FY10 revenue of \$44.6 million and EBIT of \$1.37 million<sup>2</sup>
  - As at 30 June 2009<sup>3</sup>:
    - Total assets of \$44.4 million; net assets of \$14.7 million
    - Total borrowings of \$0.220 million and total cash of \$4.15 million

1. EBIT refers to Earnings Before Interest and Tax. As disclosed in KLM's 2009 Annual Report.

2. As disclosed in KLM's profit announcement for the first quarter of the financial year ending 30 June 2010, released on 20 October 2009.

3. As disclosed in KLM's 2009 Annual Report.



# 1. KLM Group

## Business Description

- ▶ KLM operates five main businesses across a diverse range of end-markets and customers

### Brief Overview

#### Key businesses

- ▶ Data and Communications
  - ▶ Voice and data structured cabling, optical fibre and copper cabling, TV cabling
  - ▶ Audio Visual & Video
    - ▶ Audio and video conferencing, interactive whiteboards, data projection, digital display and public address systems
- ▶ Security
  - ▶ Digital surveillance, access control and monitoring, CCTV networks
  - ▶ Protection of major infrastructure and asset safeguard

#### Electrical and Lighting

- ▶ Power, lighting control and earthing systems

#### Energy Management

- ▶ Lighting efficiency design, energy audits and monitoring, timers and sensors

#### Market segments

- ▶ Construction
  - ▶ Retail
    - ▶ Health
      - ▶ Financial
    - ▶ Education
      - ▶ Hospitality

#### Geographic Locations

- ▶ Melbourne
  - ▶ Sydney
    - ▶ Canberra
      - ▶ Brisbane
        - ▶ Townsville
      - ▶ Perth
        - ▶ Adelaide
          - ▶ Hobart



# 1. KLM Group

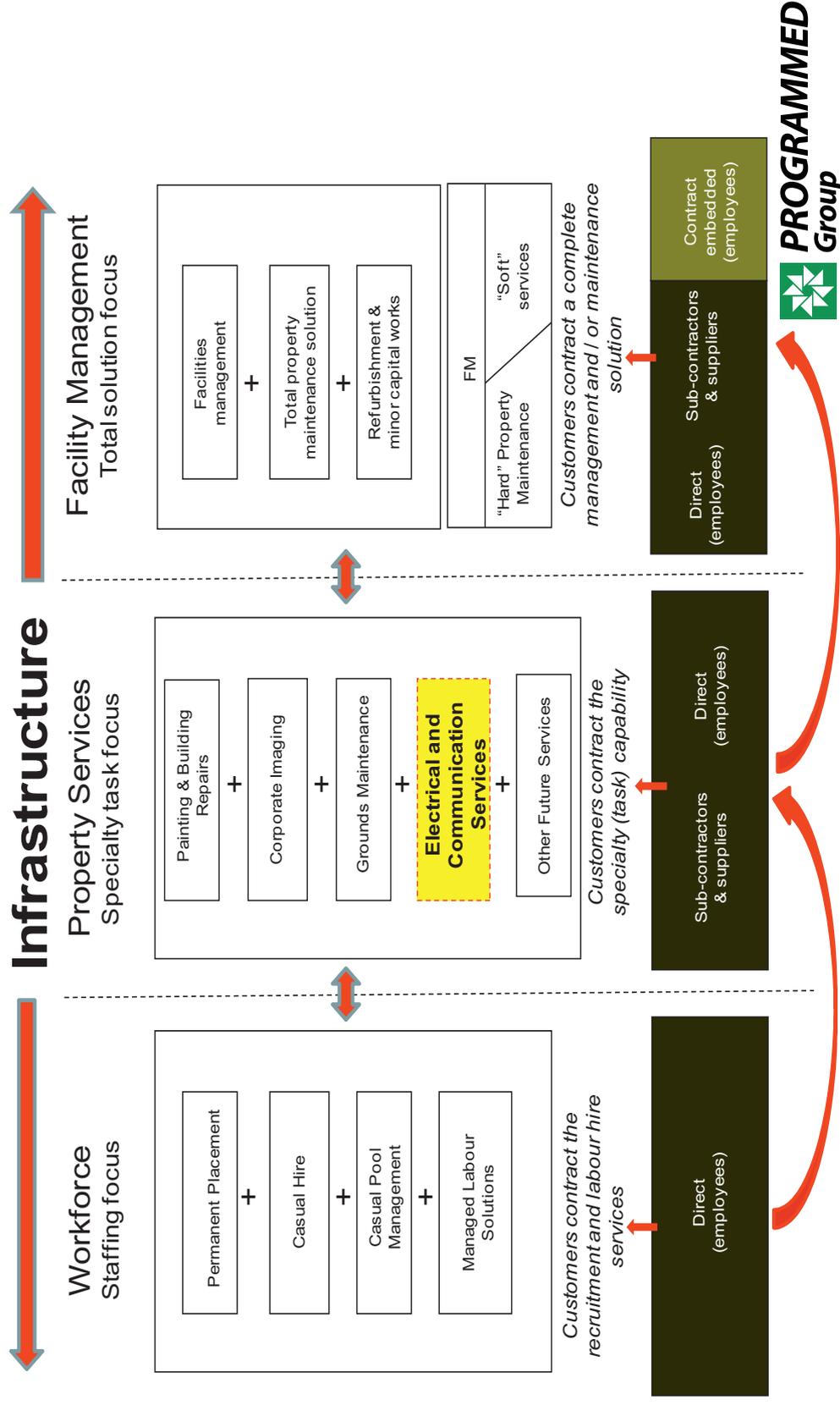
## Business Description

- ▲ KLM undertakes a variety of contracts for a range of clients
- ▲ Examples of contracts undertaken by KLM include the following:

Project	Description
<b>Old Parliament House</b>	▲ Electrical, lighting and data communications systems for the South East wing refurbishment
<b>Link Market Services</b>	▲ Installation of the electrical, communications and audio visual systems
<b>Department of Defence at Amberley</b>	▲ Fully integrated electrical, data and communications system for the Department of Defence in Townsville
<b>Green Building Council Australia</b>	▲ Lighting control and security systems, power and data communications systems
<b>Defence Headquarters Joint Operations Command</b>	▲ Supply and install data and communications systems

## 2. Strategic Rationale

- ▲ The acquisition of KLM fits with Programmed's strategic objectives



## 2. Strategic Rationale

### Benefits from the KLM Acquisition

- An acquisition of KLM provides a number of strategic benefits for Programmed
  - ✓ Broadens service offering through electrical and communication services
  - ✓ Additional services (currently outsourced) to support facilities management contracts
  - ✓ Diversifies the earnings base through new core competencies
  - ✓ Provides an opportunity to sell KLM's services to Programmed's clients
  - ✓ Enables use of Programmed's branch network and broader geographic reach to expand KLM's business
  - ✓ Provides an opportunity to leverage Programmed's systems and processes to improve KLM's capabilities in contract administration, reporting and controls
  
- The acquisition of KLM is expected to be EPS accretive in FY10 (on a pro forma basis)<sup>1</sup>

1. Pro forma basis assumes Programmed had acquired KLM on 1 April 2009 and receives a full 12 month contribution from KLM during the financial year ending 31 March 2010, the \$28.1 million purchase price being funded by the issue of 7.4 million shares at a price of \$3.80 per share.



### 3. Transaction Details

- ▲ KLM's Board of Directors has unanimously recommended that KLM shareholders accept the proposed Programmed takeover offer, subject to there being no superior offer
  - KLM directors intend to accept the takeover offer in respect of their own KLM shares<sup>1</sup>

Key Details	Description
<b>Takeover Offer Price</b>	<ul style="list-style-type: none"> <li><span style="color: green;">▲</span> \$0.47 per KLM share</li> <li><span style="color: green;">▲</span> 57.7% premium to the 3 months VWAP for the period up to and including 28 October<sup>2</sup></li> <li><span style="color: green;">▲</span> 40.0% premium to the 30 day VWAP for the period up to and including 28 October<sup>2</sup></li> <li><span style="color: green;">▲</span> Total acquisition price of \$28.1 million<sup>3</sup></li> </ul>
<b>Consideration</b>	<ul style="list-style-type: none"> <li><span style="color: green;">▲</span> 100% cash</li> </ul>
<b>Key Conditions</b>	<ul style="list-style-type: none"> <li><span style="color: green;">▲</span> Unanimous recommendation of the KLM Board (subject to no superior offer)</li> <li><span style="color: green;">▲</span> The S&amp;P ASX 200 index does not fall below 4216.6 during the offer period</li> <li><span style="color: green;">▲</span> No material adverse effect affecting KLM</li> <li><span style="color: green;">▲</span> 90% minimum acceptance</li> <li><span style="color: green;">▲</span> No termination of the Underwriting and Offer Management Agreement</li> </ul>
<b>Mechanics</b>	<ul style="list-style-type: none"> <li><span style="color: green;">▲</span> Off-market takeover offer</li> <li><span style="color: green;">▲</span> Programmed has entered into a pre-bid acceptance agreement for 19.9% of KLM shares from Joint Managing Directors Greg and Peter Jinks</li> </ul>
<b>Other</b>	<ul style="list-style-type: none"> <li><span style="color: green;">▲</span> Programmed has undertaken a limited due diligence on KLM and its management systems and controls</li> <li><span style="color: green;">▲</span> Senior KLM management to remain with the business</li> </ul>

1. Subject to there being no superior offer for KLM. 2. VWAP refers to volume weighted average price. 3. Based on acquiring 59,875,731 KLM shares and assuming KLM's 2,000,000 employee options will be dealt with by private arrangement.

## 4. Programmed Financial Update

### First Half FY10 Update

- ▲ As disclosed to the market on 22 October 2009, Programmed's operating performance for its first half (1 April 2009 to 30 September 2009) was in line with its budget and is forecast to be approximately \$27 to \$28 million EBITA<sup>1</sup>
  - Compared to the very strong economic conditions in the same prior period<sup>2</sup>, the result was impacted by the slowdown in the economy and resulting reduced demand for services in transport, industrial, commercial and mining sectors, in particular
  - The impacts were felt in the results for the Workforce, SWG and Property Services divisions, with improved results in the Facility Management and Marine divisions
- ▲ Further details with audited first half results are planned for release on 25 November 2009

1. EBITA refers to Earnings Before Interest, Tax and Amortisation of identifiable intangibles arising on acquisition. Based on unaudited management results for the six months from 1 April 2009 to 30 September 2009.

2. First half FY09 (1 April 2008 to 30 September 2008) EBITA was \$32.7 million before costs incurred in responding to Spotless' takeover bid and before earnings from Barry Bros. (now discontinued business) of \$1.4 million.



## 4. Programmed Financial Update

### Outlook

- ▶ As disclosed to the market on 22 October 2009, the general level of activity of clients in many sectors including infrastructure, resources and oil and gas has increased in the past few months, however much of the potential Programmed related work volume relates to the time period post completion of our FY10 year (ending March 2010)
- ▶ Our Facility Management, Marine and SWG divisions are all tendering significant opportunities presently in these sectors for work in future years
- ▶ Current trading continues with results to date in line overall with our second half operating performance last year<sup>1</sup>. Key influences impacting our final FY10 result (both positive and negative) include:
  - Retail trading conditions this Christmas period which impact our Workforce results;
  - The level of work won and executed within the period by SWG; and
  - The degree of discretionary maintenance expenditure associated with commercial/retail customers in Australia, New Zealand and UK

1. Second half FY09 (1 October 2008 to 31 March 2009) EBITA was \$36.1 million before restructuring costs of \$3.4 million.



## 5. Equity Raising

### Key Points

- ▶ Programmed is undertaking an equity raising through a 4-for-19 non-renounceable, pro-rata entitlement offer (“Entitlement Offer”)
  - Underwritten institutional component of \$50 million; and
  - Non-underwritten retail component is expected to raise \$9 to \$15 million<sup>1</sup>
- ▶ Fixed Offer Price of \$3.80 per New Share (“Offer Price”)
  - 15.7% discount to Programmed’s 5-day VWAP up to and including 28 October 2009
  - 9.8% discount to TERP<sup>2</sup>
- ▶ The proceeds from the equity raising will be used to fund the acquisition of KLM (approximately \$28.1 million) and other potential acquisitions<sup>3</sup>
- ▶ The institutional component of the Entitlement Offer will be underwritten by Macquarie Capital Advisers Limited

1. Assumes a register split of 63% institutional shareholders and 37% retail shareholders and a participation rate among retail shareholders of 30% to 50%. The maximum amount that can be raised, based on an institutional component of \$50m and assuming full participation in the retail component, is \$79.7 million.

2. The theoretical ex-rights price (TERP) is the theoretical price at which Programmed shares should trade immediately after the ex-date for the Entitlement Offer assuming 100% take-up of the Entitlement Offer. The TERP is a theoretical calculation only and the actual price at which Programmed shares trade immediately after the ex-date for the Entitlement Offer may vary from TERP.

3. Completion of the acquisition of KLM is subject to a number of conditions. The Entitlement Offer will proceed whether or not the acquisition of KLM is completed. To the extent the KLM acquisition is not completed the relevant funds raised under the Entitlement Offer will be available to fund other acquisitions or for general corporate purposes.



## 5. Equity Raising

### Key Points

- ▶ The Entitlement Offer is available to Eligible Shareholders as at the Record Date (7pm Melbourne time on 4 November 2009)<sup>1</sup>
  - Eligible Shareholders may choose to accept all or part of their pro-rata entitlement or none at all
  - Any part of an institutional shareholder's entitlement that is not taken-up by that shareholder will be made available at the Offer Price to new investors or to existing institutional shareholders who have elected to take up more than their pro-rata entitlement
  - Retail component of the Entitlement Offer is only available to Eligible Shareholders with a registered address in Australia or New Zealand
  - No retail shortfall facility is being offered. Retail entitlements that are not taken up will lapse
- ▶ New Shares issued under the Entitlement Offer will rank equally with existing ordinary shares

1. Eligible Shareholders are shareholders who as at 7pm (Melbourne time) on 4 November 2009 have an address on Programmed's share register in Australia or New Zealand, and institutional shareholders in Australia, New Zealand, Hong Kong, Norway, Singapore or the United Kingdom who are not US Persons or acting for the account or benefit of US Persons – see Section 8 of this presentation.



## 5. Capital Raising

### Indicative Timetable

Event	Key Dates
▲ Institutional Entitlement Offer opens	11.00am, Thursday 29 October 2009
▲ Institutional Entitlement Offer closes	1.00pm, Friday 30 October 2009
▲ Shares recommence trading on ASX	Monday 2 November 2009
▲ Record Date for Entitlement Offer	7.00pm Wednesday 4 November 2009
▲ Retail Entitlement Offer opens	Thursday 5 November 2009
▲ Settlement of Institutional Entitlement Offer	Friday 13 November 2009
▲ Normal trading of New Shares issued under the Institutional Entitlement Offer expected to commence on ASX	Monday 16 November 2009
▲ Retail Entitlement Offer closes	Tuesday 24 November 2009
▲ Announce outcome of Retail Entitlement Offer	Friday 27 November 2009
▲ Settlement under the Retail Entitlement Offer	Tuesday 1 December 2009
▲ Normal Trading of New Shares issued under the Retail Entitlement Offer	Friday 4 December 2009

Note: All times and dates in this investor presentation refer to Melbourne time. The timetable above is indicative only and subject to change. Any material changes will be notified to the ASX.



## 6. Programmed Dividend Policy

### Update

- ▶ Programmed's current dividend policy announced 27 May 2009 remains in place
- ▶ Temporary dividend reduction strategy sets a payout ratio of 30% to achieve target debt / equity ratio of 40% by 31 March 2011
- ▶ The Entitlement Offer will increase Programmed's equity base and, as a result, Programmed expects to achieve its debt / equity target sooner than previously indicated
- ▶ Once the debt/equity ratio reaches the target of 40% Programmed will review the current dividend policy



## 7. Key Risks

- ▶ This section discusses some of the key risks associated with an investment in shares in Programmed. A number of risks and uncertainties, which are both specific to Programmed and of a more general, may adversely affect the operating and financial performance or position of Programmed, in turn affecting the value of Programmed shares and the value of your investment in Programmed
- ▶ The risks and uncertainties described below are not an exhaustive list of the risks facing Programmed in connection with the Takeover Offer and Entitlement Offer or associated with an investment in Programmed. Additional risks and uncertainties may also become important factors that adversely affect Programmed's operating and financial performance or position
- ▶ This presentation is not financial product advice and has been prepared without taking into account your investment objectives or personal circumstances
- ▶ Before investing in Programmed shares, you should consider whether this investment is suitable for you. Potential investors should consider publicly available information on Programmed (such as that available on the websites of Programmed and ASX), carefully consider their personal circumstances and consult their stockbroker, solicitor, accountant or other professional adviser before making an investment decision



## 7. Key Risks

### General and Industry Risks

#### A. Economic conditions

Adverse changes in economic conditions such as economic growth, interest rates, employment levels, consumer demand, consumer and business sentiment, market volatility, exchange rates, inflation, government policy, international economic conditions and employment rates amongst others are outside Programmed's control and have the potential to have an adverse impact on Programmed and its operations.

#### B. Stock market fluctuations

Investors should be aware that there are risks associated with any investment in a company listed on ASX. The market value of Programmed Shares will fluctuate depending on the price at which Programmed Shares are traded on ASX, and may rise above or below the current Programmed share price depending on:

- ▶ the financial and operating performance of Programmed; and
- ▶ external factors over which Programmed and the Directors have no control

These external factors (which are unpredictable and may be unrelated or disproportionate to the performance of Programmed) include:

- ▶ economic conditions in Australia and overseas which may have a negative impact on equity capital markets;
- ▶ changing sentiment in the local and international stock markets;
- ▶ changes in domestic or international fiscal, monetary, regulatory and other government policies; and
- ▶ developments and general conditions in the various markets in which Programmed operates (and proposes to operate) and which may impact on the future value and pricing of shares.

#### C. Regulatory risks

Programmed is exposed to any changes in the regulatory conditions under which it operates (in Australia, New Zealand, the United Kingdom, and Singapore). Such regulatory changes can include, for instance, changes in:

- ▶ taxation laws and policies;
- ▶ accounting laws, policies, standards and practices;
- ▶ environmental laws and regulations that may impact upon the operations and processes of Programmed; and
- ▶ employment laws and regulations, including laws and regulations relating to occupational health and safety.



## 7. Key Risks

### Programmed Specific Risks

#### **A. Increased or new competition**

Programmed faces competition in its businesses. To the extent that there are new entrants or changes in strategy by existing competitors, Programmed may lose market share with consequent adverse effects upon operating and financial performance. The increased use of internet based tools to recruit personnel is an emerging trend that presents both opportunities and threats for Programmed's recruitment and labour hire division.

#### **B. Exchange rate fluctuations**

In the financial year ended 31 March 2009, a portion of Programmed's earnings was denominated in foreign currencies (being the New Zealand dollar, Singapore dollar, US dollar and the British pound). Changes in foreign currency exchange rates may affect the book value of Programmed's foreign denominated assets and liabilities and equity reserves. Exchange rate exposures are managed using forward exchange contracts where appropriate.

#### **C. Financing risks**

Programmed's current senior debt facility is not due to expire until May 2012. Given recent developments in global financial markets it has become more difficult to secure debt finance. These difficulties may continue past 2012, in which case it is possible that Programmed may not be able to renew all of the existing debt facility, or such renewal may be on terms which are less favourable than those which currently apply. An inability of Programmed to renew all of its debt facilities in 2012, or the inability to renew them on no less favourable terms, may affect Programmed's financial performance and position in the future. As disclosed in Programmed's Full Year Results Announcement for the financial year ended 31 March 2009, Programmed is currently operating within its banking covenants. However, if there is a material decline in earnings, or a material increase in interest costs (due to changes in bank interest rates or due to increases in gross debt levels), Programmed may no longer be able to operate within its banking covenants. In such case, Programmed may be obliged to repay its debt facilities and may not be able to find replacement sources of debt finance, or may only be able to find such replacement sources for lesser amounts or on less favourable terms and conditions.

#### **D. Environmental risks**

Extensive national and local environmental laws and regulations in Australia, New Zealand, Singapore and the United Kingdom affect the operations of Programmed. The laws and regulations set various standards which regulate certain aspects of health and environmental quality, provide penalties or other remedies for any violation of standards and, in certain circumstances, impose obligations to undertake remedial action in current or former locations where operations are or were conducted.

There is a risk that significant damages or penalties might be imposed on Programmed, including for certain discharges into the environment, effects on employees, sub-contractors or customers, or as clean up costs.



## 7. Key Risks

### Programmed Specific Risks

#### **E. Indexation and cash deferral under long term contracts**

A portion of Programmed's revenue is dependent on the level of indexation under its long term contracts which is linked to increases in prices of labour, materials and overheads. In nearly all contracts, the indexation is based on publicly available indices for wage levels, paint prices and interest rates. Therefore, there may be a difference between the increase in Programmed's costs and the movement in the publicly available indices that may result in Programmed not being adequately covered for its cost increases.

Separately, Programmed's long term contracts are structured such that cash flows are delayed until the latter part of the term of the contract. Consequently, Programmed is exposed to the credit risk of the relevant customer.

#### **F. Reliance on key personnel**

The responsibility of overseeing day-to-day operations and the strategic management of Programmed is concentrated amongst a small number of key employees. While it is not currently anticipated, one or a number of these key employees may cease employment with Programmed. The loss of any such key employees by Programmed could have the potential to have a detrimental impact on Programmed until the skills that are lost are adequately replaced.

#### **G. Occupational health and safety**

Programmed manages, with its clients, certain risks associated with the occupational health and safety of its employees. Programmed takes out insurance to cover these risks within certain parameters, however, it is possible for injuries and/or incidents to occur which may result in expenses in excess of the amount insured or provided for with a resultant impact on the earnings of Programmed. Additionally, a serious industrial accident, for example resulting in a fatality, or a series of accidents on the same or related contracts could adversely impact Programmed's reputation, which could negatively impact on Programmed's operations or growth prospects, and in turn, adversely affect Programmed's financial performance or position.

#### **H. Industrial Relations**

A number of Programmed's employees are covered by workplace agreements, including enterprise bargaining agreements, which need to be renegotiated from time-to-time. Programmed is currently renegotiating an enterprise bargaining agreement in relation to its Marine Division. It is possible that the outcome of such negotiations may be less favourable to Programmed and may therefore result in increased costs for Programmed which could affect Programmed's financial performance or position. It is also possible that disputes may arise between Programmed and employees, or the unions which represent those employees, during the course of such negotiations. Such disputes may lead to industrial action against Programmed (including stoppages of work) that could adversely affect Programmed's operations, and in turn, adversely affect Programmed's financial performance or position.

## 7. Key Risks

### Programmed Specific Risks

#### **I. Litigation**

Programmed is exposed to the risk of third parties bringing claims against Programmed. If any claim were to be pursued and be successful it may adversely affect Programmed's financial performance or position.

#### **J. Acquisition Risk**

##### Completion Risk

There is a risk that the acquisition of KLM may not complete due to a failure to satisfy conditions to the off-market takeover bid for all of the outstanding shares in KLM. A list of these conditions is set out in the annexure to the announcement made by Programmed today in relation to the acquisition of KLM and the capital raising.

Further, while Programmed is considering other potential acquisition opportunities there is no certainty it will proceed with any such acquisitions. It is possible that it will not be able to complete these other acquisitions either due to a breakdown in negotiations or the failure to fulfil various conditions precedent to the completion of those acquisitions. It is also possible that future potential acquisitions may not be available on favourable terms. In all of the above cases, where an acquisition is not completed, Programmed intends to use the proceeds raised under the capital raising for other acquisitions or for general corporate purposes.

##### Acquisition Risk

If the acquisition of KLM (or any other acquisition opportunity) is successfully completed, there is the risk that Programmed, as the new owner of KLM (or any other acquired business), later discovers liabilities or defects which were not identified through due diligence or for which there is no protection for Programmed (in the form of insurance, warranties, representations or indemnities). This could adversely affect the operations, financial performance or position of KLM (or such other acquired business), and in turn, adversely affect the financial performance or position of Programmed.

##### Integration Risk

There is a risk that the integration of KLM (or any other acquired business) is delayed and that the relevant acquisition does not deliver the benefits that were expected at the time the acquisition was agreed (or delivers benefits to a lesser extent than expected). A failure to fully integrate the operations of KLM (or any other acquired business), or a delay in the integration process, could impose unexpected costs that may adversely affect the financial performance or position of Programmed.



## 8. Foreign Selling Restrictions

### A. Hong Kong

**WARNING:** This document has not been, and will not be, registered as a prospectus under the Companies Ordinance (Cap. 32) of Hong Kong (the "Companies Ordinance"), nor has it been authorised by the Securities and Futures Commission in Hong Kong pursuant to the Securities and Futures Ordinance (Cap. 571) of the Laws of Hong Kong (the "SFO"). No action has been taken in Hong Kong to authorise or register this document or to permit the distribution of this document or any documents issued in connection with it. Accordingly, the New Shares have not been and will not be offered or sold in Hong Kong by means of any document, other than:

- to "professional investors" (as defined in the SFO); or
- in other circumstances that do not result in this document being a "prospectus" (as defined in the Companies Ordinance) or that do not constitute an offer to the public within the meaning of that ordinance

No advertisement, invitation or document relating to the New Shares has been or will be issued, or has been or will be in the possession of any person for the purpose of issue, in Hong Kong or elsewhere that is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to New Shares that are or are intended to be disposed of only to persons outside Hong Kong or only to professional investors (as defined in the SFO and any rules made under that ordinance). No person allotted New Shares may sell, or offer to sell, such shares in circumstances that amount to an offer to the public in Hong Kong within six months following the date of issue of such shares

The contents of this document have not been reviewed by any Hong Kong regulatory authority. You are advised to exercise caution in relation to the offer. If you are in doubt about any contents of this document, you should obtain independent professional advice

### B. New Zealand

The New Shares in the entitlement offer are not being offered or sold to the public in New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand)

New Shares for which entitlements are not taken up may be offered and sold in New Zealand to (i) persons whose principal business is the investment of money or who, in the course of and for the purposes of their business, habitually invest money or (ii) persons who are each required to pay a minimum subscription price of at least NZ\$500,000 for the securities before allotment

This document has not been registered, filed with or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand). This document is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain



## 8. Foreign Selling Restrictions

### C. Norway

This document has not been approved by, or registered with, any Norwegian securities regulator pursuant to the Norwegian Securities Trading Act of 29 June 2007. Accordingly, this document shall not be deemed to constitute an offer to the public in Norway within the meaning of the Norwegian Securities Trading Act of 2007.

The New Shares may not be offered or sold, directly or indirectly, in Norway except:

- (a) to "professional investors" (as defined in Norwegian Securities Regulation of 29 June 2007 no. 876);
- (b) any natural person who is registered as a professional investor with the Oslo Stock Exchange (No. Oslo Børs) and who fulfils two or more of the following: (i) any natural person with an average execution of at least ten transactions in securities of significant volume per quarter for the last four quarters; (ii) any natural person with a portfolio of securities with a market value of at least €500,000; and (iii) any natural person who works, or has worked for at least one year, within the financial markets in a position which presuppose knowledge of investing in securities;
- (c) to fewer than 100 natural or legal persons (other than "professional investors", as defined in clauses (a) and (b) above); or
- (d) in any other circumstances provided that no such offer of New Shares shall result in a requirement for the registration, or the publication by the Company or an underwriter, of a prospectus pursuant to the Norwegian Securities Trading Act of 29 June 2007.

### D. Singapore

This document and any other materials relating to the New Shares have not been, and will not be, lodged or registered as a prospectus in Singapore with the Monetary Authority of Singapore. Accordingly, this document and any other document or materials in connection with the offer or sale, or invitation for subscription or purchase, of New Shares, may not be issued, circulated or distributed, nor may the New Shares be offered or sold, or be made the subject of an invitation for subscription or purchase, whether directly or indirectly, to persons in Singapore except pursuant to and in accordance with exemptions in Subdivision (4) Division 1, Part XIII of the Securities and Futures Act, Chapter 289 of Singapore (the "SFA"), or as otherwise pursuant to, and in accordance with the conditions of any other applicable provisions of the SFA.

This document has been given to you on the basis that you are (i) an existing holder of the Company's shares, (ii) an "institutional investor" (as defined under the SFA) or (iii) a "relevant person" (as defined under section 275(2) of the SFA). In the event that you are not an investor falling within any of the categories set out above, please return this document immediately. You may not forward or circulate this document to any other person in Singapore.

Any offer is not made to you with a view to the New Shares being subsequently offered for sale to any other party. There are on-sale restrictions in Singapore that may be applicable to investors who acquire New Shares

As such, investors are advised to acquaint themselves with the SFA provisions relating to on-sale restrictions in Singapore and comply accordingly.



**PROGRAMMED**  
Group

## 8. Foreign Selling Restrictions

### **E. United Kingdom**

Neither the information in this document nor any other document relating to the offer has been delivered for approval to the Financial Services Authority in the United Kingdom and no prospectus (within the meaning of section 85 of the Financial Services and Markets Act 2000, as amended ("FSMA")) has been published or is intended to be published in respect of the New Shares. This document is issued on a confidential basis to "qualified investors" (within the meaning of section 86(7) of FSMA). This document should not be distributed, published or reproduced, in whole or in part, nor may its contents be disclosed by recipients to any other person in the United Kingdom.

Any invitation or inducement to engage in investment activity (within the meaning of s.21 FSMA) received in connection with the issue or sale of the New Shares has only been communicated, and will only be communicated, in the United Kingdom in circumstances in which s.21(1) FSMA does not apply to the Company.

In the United Kingdom, this document is being distributed only to, and is directed at, persons (i) who have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotions) Order 2005 ("FPO"), (ii) who fall within the categories of persons referred to in Article 49(2)(a) to (d) (high net worth companies, unincorporated associations, etc.) of the FPO or (iii) to whom it may otherwise be lawfully communicated (together "relevant persons"). The investments to which this document relates are available only to, and any invitation, offer or agreement to purchase will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

### **F. United States of America**

This document has been prepared for publication in Australia and may not be released or distributed in the United States. This document does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Any securities described in this document have not been, and will not be, registered under the US Securities Act of 1933 (as amended) and may not be offered or sold in the United States or to, or for the account or benefit of, US Persons (as defined in Regulation S under the US Securities Act) except in transactions exempt from, or not subject to, registration under the US Securities Act and applicable US state securities laws.

### **G. Other Jurisdictions**

The New Shares may not be offered or sold in any other jurisdiction except to persons to whom such offer or sale is permitted under applicable law.



# How to Apply

## 1. Please read this Offer Booklet which includes the Investor Presentation, Entitlement and Acceptance Form and other information made available

The Entitlement Offer is not being made under a prospectus. Rather, the Entitlement Offer is being made pursuant to relatively new changes to the Corporations Act that allow rights issues to be offered by providing certain updates and confirmations to the market. As a result, it is important for Shareholders to read and understand the publicly available information on Programmed and the Entitlement Offer prior to accepting their **Entitlement**. In particular, please refer to the attached materials, Programmed's annual reports and other announcements made available at [www.programmed.com.au](http://www.programmed.com.au) or [www.asx.com.au](http://www.asx.com.au).

The New Shares are not being offered or sold to the public within New Zealand other than to existing shareholders of the Company with registered addresses in New Zealand to whom the offer of New Shares is being made in reliance on the Securities Act (Overseas Companies) Exemption Notice 2002 (New Zealand).

This Offer Booklet has not been registered, filed with or approved by any New Zealand regulatory authority under the Securities Act 1978 (New Zealand). This Offer Booklet is not an investment statement or prospectus under New Zealand law and is not required to, and may not, contain all the information that an investment statement or prospectus under New Zealand law is required to contain.

Please note that if a fraction arises in the calculation of your Entitlement, your Entitlement will be rounded up to the next whole number of New Shares.

## 2. Consider the Entitlement Offer in light of your particular investment objectives and circumstances

Please consult with your stockbroker, accountant or other independent financial adviser if you have any queries or are uncertain about any aspect of the Offer. **In particular, please refer to the "Risks" section of the attached Investor Presentation.**

## 3. Who is eligible to participate

The Retail Entitlement Offer is being extended to Eligible Retail Shareholders who are Shareholders that:

- ▲ are registered as a holder of Shares at 7.00pm (Melbourne time) on the Record Date of Wednesday 4 November 2009; and
- ▲ have a registered address in Australia or New Zealand; and
- ▲ are not in the United States or a U.S. Person or acting for the account or benefit of such persons; and
- ▲ are not an institutional Shareholder who received an offer to participate in the Institutional Entitlement Offer (either directly or indirectly via a nominee or custodian); and
- ▲ are eligible under all applicable securities laws to receive an offer under the Retail Entitlement Offer.

The Retail Entitlement Offer is not being extended to any Shareholder outside Australia and New Zealand. By returning a completed Entitlement and Acceptance Form, or making a payment by BPAY, you will be taken to have represented and warranted that you satisfy each of the above criteria.

Programmed reserves the right to reject any Application that it believes comes from a person who is not an Eligible Retail Shareholder.

# How to Apply

## 4. Your options

Eligible Retail Shareholders may take the following actions:

- ▶ take up all of your Entitlement (see section 5 - 7)
- ▶ take up part of your Entitlement (see section 5 - 7)
- ▶ do nothing and allow your Entitlement to lapse (see section 8)

Shareholders who do not take up their Entitlement in full will not receive any payment or value for those Entitlements they do not take up. Shareholders who do not take up their Entitlement in full will have their proportionate economic interest in Programmed diluted.

## 5. Complete the accompanying Entitlement and Acceptance Form

If you decide to participate in the Entitlement Offer, you may do so by completing and returning the Entitlement and Acceptance Form and attaching payment by following the instructions set out on the Entitlement and Acceptance Form (see below for more details).

Alternatively, you may participate by making payment via BPAY in accordance with the instructions set out on the personalised Entitlement and Acceptance Form (which includes the biller code and your unique customer reference number).

If you take no action you will not be allocated any New Shares.

Issue of New Shares is scheduled to occur on Wednesday 2 December 2009. Note that Programmed reserves the right to change dates in relation to the Entitlement Offer.

## 6. Acceptance of the Offer

You may take up all or part of your of your Entitlement by completing the Entitlement and Acceptance Form and attaching payment or by paying by BPAY (see below for more details).

Your completed Entitlement and Acceptance Form must be accompanied by a cheque, bank draft or money order in Australian currency for the amount of your application monies, payable to "Programmed Offer Account" and crossed "Not Negotiable."

You should ensure that sufficient funds are held in relevant account(s) to cover the application monies. If the amount of your cheque for application monies (or the amount for which the cheque clears in time for allocation) is insufficient to pay in full for the number of New Shares you have applied for in your Entitlement and Acceptance Form, you will be taken to have applied for such lower number of whole New Shares as your cleared application monies will pay for (and to have specified that number of New Shares on your Entitlement and Acceptance Form). Alternatively, your Application will not be accepted.

Should you choose to pay by BPAY payment:

- ▶ you do not need to submit the personalised Entitlement and Acceptance Form but are taken to make each of the statements and representations on that form; and
- ▶ if you subscribe for less than your Entitlement or do not pay for your full Entitlement, you are taken to have taken up your Entitlement in respect of such whole number of New Shares which is covered in full by your application monies.

It is your responsibility to ensure that your BPAY payment is received by the share registry by no later than 5.00pm (Melbourne time) on Tuesday 24 November 2009. You should be aware that your financial institution may implement earlier cut-off times with regards to electronic payment, and you should therefore take this into consideration when making payment.

## 7. Mail

It is important to note that the Retail Entitlement Offer closes at 5.00pm (Melbourne time) on Tuesday 24 November 2009. To participate in the Offer, your payment must be received no later than this date. Your completed Entitlement and Acceptance Form, together with application monies, should be mailed to:

Programmed Maintenance Services Limited Offer  
C/- Computershare Investor Services Pty Limited  
GPO Box 505  
MELBOURNE VIC 3001

If you are paying by BPAY payment, you do not need to mail or deliver the personalised Entitlement and Acceptance Form.

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# How to Apply

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## **8. If you wish to do nothing and allow your Entitlement to lapse**

If you do not wish to take up your Entitlement you can simply do nothing.

If you have not completed your personalised Entitlement and Acceptance Form and it has not been received by the Registry at the address above, or alternatively made a payment through BPAY by 5.00pm (Melbourne time) on the Retail Entitlement Offer close date of Tuesday, 24 November 2009, you will be deemed to have allowed your Entitlement to lapse.

## **9. When will I receive my New Programmed Shares?**

It is currently expected that the New Shares will be issued on Wednesday, 2 December 2009, and confirmation of that issue of the New Shares will be dispatched, on Friday, 4 December 2009.

It is the responsibility of each Applicant applying for New Shares to confirm their holding before trading in those New Shares. Any person who sells New Shares before receiving confirmation of their holding in the form of their confirmation statement will do so at their own risk.

Programmed and the Registry disclaim all liability, whether in negligence or otherwise, to any person who trades in New Shares before receiving their confirmation statement.

To avoid postal delay in receiving your confirmation statement we recommend you check your holding online at [www.investorcentre.com](http://www.investorcentre.com). To use this facility you will need internet access and your Holder Identification Number or Securityholder Reference Number to pass the security features on the website.

# Key Offer Dates

## Key Offer dates \*

Announcement of the Entitlement Offer	Thursday 29 October 2009
Record Date for determining Entitlement to subscribe for New Shares	7:00pm (Melbourne time), Wednesday 4 November 2009
Retail Entitlement offer opens	Thursday 5 November 2009
Closing date for Retail Entitlement Offer	5:00pm (Melbourne time), Tuesday 24 November 2009
Announcement of outcome of the Retail Entitlement Offer	Friday, 27 November 2009
Issue of New Shares for the Retail Entitlement Offer	Wednesday 2 December 2009
Dispatch of confirmation of Issue of New Shares and normal trading of New Shares on ASX	Friday 4 December 2009

\* All times and dates refer to Melbourne time and are subject to change

Persons who trade Shares after the commencement of the trading halt on Thursday 29 October 2009 will not be entitled to participate in the Entitlement Offer.

Programmed reserves the right, subject to the Corporations Act, ASX Listing Rules and other applicable laws to vary the dates of the Entitlement Offer, including extending the Entitlement Offer or accepting late applications, either generally or in particular cases, without notice. Accordingly, applicants are encouraged to submit their Application as soon as possible after the Retail Entitlement Offer opens.

## Underwriting information

The institutional component of the Entitlement Offer was underwritten by Macquarie Capital Advisers Limited. The retail component of the Entitlement Offer is not underwritten.

## Queries

If you have any questions, please contact the Programmed Offer Information Line:

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

at any time between 8:30am and 5.00pm (Melbourne time) Monday to Friday.

Website: [www.programmed.com.au](http://www.programmed.com.au)

If you have any doubt as to whether you should participate you should consult your stockbroker, accountant or other independent financial adviser.

# Glossary

<b>Term</b>	<b>Meaning</b>
Application	an application for New Shares lodged in accordance with the instructions in this Offer Booklet and the Entitlement and Acceptance Form.
ASX	ASX Limited or the market operated by it as the context requires.
Corporations Act	Corporations Act 2001 (Cwlth).
Eligible Retail Shareholder	has the meaning given in section 3 of "How to Apply" on page 30.
Entitlement	the number of New Shares for which an Eligible Retail Shareholder is entitled to subscribe under the Entitlement Offer.
Entitlement Offer	the 4 for 19 non-renounceable pro rata entitlement offer to subscribe for New Shares at the Issue Price set out in this Offer Booklet and the Entitlement and Acceptance Form, and announced to ASX by Programmed on 29 October 2009.
Institutional Entitlement Offer	the institutional component of the Entitlement Offer, details of which were announced to the ASX by Programmed on 29 October 2009.
Investor Presentation	the investor presentation relating to the Entitlement Offer, details of which were announced to ASX by Programmed on 29 October 2009.
Issue Price	\$3.80 per New Share.
KLM	KLM Group Ltd (ABN 66 089 479 676).
New Shares	a Share issued under the Entitlement Offer.
Offer Booklet	this booklet setting out the terms of the Retail Entitlement Offer and other important information relating to the Retail Entitlement Offer.
Programmed	Programmed Maintenance Services Limited (ABN 61 054 742 264).
Registry	Computershare Investor Services Pty Limited.
Retail Entitlement Offer	the retail component of the Entitlement Offer, details of which are set out in this Offer Booklet.
Share	a fully paid ordinary share in the capital of Programmed.
Shareholder	a registered holder of a Share.
U.S Persons	has the meaning given to it in the "Important Information" section on page 2 and 3.
VWAP	Volume weighted average price.



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