

Directors' Report

The directors of Programmed Maintenance Services Limited ("the Company") submit herewith the annual financial report for the financial year ended 31 March 2010. In order to comply with the Corporations Act 2001, the directors report as follows:

Directors

The names of the directors of the Company during or since the end of the financial year are:

Geoffrey Allan Tomlinson	Chairman
Christopher Glen Sutherland	Managing Director
Susan Mary Oliver	Non-Executive Director
Brian John Pollock	Non-Executive Director
Jonathan Gladstone Whittle	Non-Executive Director

All of the abovenamed directors held office during and since the end of the financial year.

Particulars of the directors, including directorships of other listed companies are shown on page 12 of this annual report.

In accordance with the Company's constitution, Ms S M Oliver and Mr J G Whittle will retire as directors at the 2010 Annual General Meeting, and are eligible to offer themselves for re-election.

The directors have been considering the future size and composition of the Board due to the significant growth in the business operations of the consolidated entity, combined with the impending need to replace some long-serving directors. With the assistance of an appropriate external adviser, the directors have been assessing potential candidates to join the Board as non-executive directors.

On 4 June 2010, the directors announced that Ms Emma Stein and Mr Bruce Brook are to be appointed as non-executive directors, commencing from the Board meeting to be held on 16 June 2010. Ms Stein and Mr Brook will stand for election as directors at the 2010 Annual General Meeting. Mr Brian Pollock has advised the Chairman of his intention to retire as a non-executive director at the Annual General Meeting to be held on 6 August 2010.

Principal Activities

During the financial year the consolidated entity was a substantial provider of staffing, maintenance and project services operating in five divisions: Property Services, Facilities Management, Workforce, Marine Services and Engineering Services.

The Property Services division provides painting, corporate imaging and grounds services and employs over 2,000 people. Its 6,000-strong customer base extends across a diverse range of industries including retail, commercial, manufacturing, education and aged care, with services delivered through 60 branches in capital cities and regional centres throughout Australia, New Zealand and the United Kingdom.

The Facilities Management division provides facility management solutions, property maintenance, refurbishments, and minor capital works through more than 50 contracts and related projects across all states of Australia. These services are delivered through a combination of direct employees and accredited suppliers and sub-contractors. The division also provides strategic facility management advice to government and industry.

The Workforce division, trading as Integrated, provides recruitment and labour hire services to more than 1,700 customers in a range of sectors including resources, industrial, government, manufacturing, transportation and logistics. It operates through a national network of over 40 branches in all states and territories of Australia and employs a daily average of more than 5,000 skilled and semi-skilled staff for customers from an active database of more than 60,000 personnel.

The Marine division, trading as Total Marine Services, is a specialist provider of manning, catering, vessel management and logistics services to the offshore oil and gas industries in Australia, New Zealand and Asia. Headquartered in Fremantle, Western Australia, with offices in Singapore and New Plymouth, New Zealand, the division provides crews and services for rigs, drill ships, offshore support vessels, specialist construction vessels, dredges, offshore platforms and floating production vessels. It also provides a variety of trades, supervisors and management to support offshore construction and maintenance activities.

The Engineering Services division, trading as SWG, is a multi-disciplined engineering, construction and maintenance group servicing the resources and energy sectors in Australia, New Zealand and Asia. Headquartered in Perth, Western Australia, with an office in Singapore, the division offers engineering, construction and maintenance services including project management, design and installation engineering, procurement and on site execution.

Review of Operations

The net amount of profit of the consolidated entity for the financial year after income tax expense was \$26,164 thousand (2009: \$28,072 thousand). A review of the operations of the consolidated entity is contained in the Managing Director's Review on pages 7 to 9 of this annual report.

Changes in State of Affairs

Acquisition of KLM Group

On 29 October 2009, the Company announced that it had signed a Takeover Bid Implementation Agreement with KLM Group Limited ("KLM"). KLM specialises in the design, installation and maintenance of integrated electrical and communications systems. The Company made an off-market takeover bid to acquire all of the issued shares in KLM for a total consideration of \$28,100 thousand, with each KLM shareholder to receive \$0.47 per KLM share payable in cash.

Following the successful completion of the takeover on 22 January 2010, the Company acquired 96.31% of the issued share capital of KLM for cash consideration of

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\$27,102 thousand. A further \$1,040 thousand was paid on 5 March 2010 to compulsorily acquire the remaining 3.69%, with KLM then becoming a wholly-owned subsidiary. The acquisition costs amounting to \$954 thousand were paid in cash during the financial year.

Equity Raising

The Company also announced on 29 October 2009 that it would undertake a 4 for 19 non-renounceable pro rata entitlement offer ("Entitlement Offer") to fund the acquisition of KLM and to fund other potential acquisitions. Each new share issued under the Entitlement Offer will rank equally with existing Programmed shares from allotment. The equity raising was structured as follows:

- An underwritten institutional component that raised \$53,505 thousand via the issue of 14.1 million shares, with settlement completed on 13 November 2009; and
- A non-underwritten retail component that raised \$16,372 thousand via the issue of 4.3 million shares, with settlement completed on 27 November 2009.

The equity raising expenses of \$2,793 thousand were paid in cash during the financial year.

Sale of Surplus Properties

On 27 May 2009, the Company announced the relocation of the company headquarters and a number of business units to a new leased facility in Clayton (Victoria) in June 2009 and the proposed sale of two surplus properties in Victoria. These two properties were sold for a total of \$5,240 thousand, with the total profit after tax on sale of \$2,566 thousand included in the results for the financial year.

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

Subsequent Events

On 12 May 2010, Programmed Group announced that, following a strategic review of its operations and taking into account changes in market conditions over the past 18 months, it proposes to exit its UK painting business and refocus SWG.

UK business:

It is proposed to restructure the UK business during the northern summer so existing programmes are serviced, while no new contracts are sought. The proposal would result in a provision of approximately \$7.6m after tax in the Group's financial statements for the year ending 31 March 2011 to cover expected redundancies, lease liabilities, write downs of equipment and impairment of goodwill (\$1.9m) that would occur over the next two years as the business is scaled down. The aim would be to sell the remaining servicing contract assets by 30 June 2012. The Group has entered into a consultation process with its UK employees about the proposed changes prior to reaching any conclusion.

SWG:

Programmed has decided to sell SWG's offshore contracting activities to DOF Subsea, a leading international subsea engineering contractor. A non-binding term sheet has been agreed with a sale price of between \$3m and \$7m dependent on certain conditions being met over the next 12 months. The transaction is subject to due diligence and agreement on final terms and is expected to be completed before the end of June 2010. Separately, Programmed is seeking to establish a manning services agreement covering DOF's vessels in the region.

Following the sale of the offshore contracting activities, SWG's construction and maintenance activities will be combined with Programmed's Australian and New Zealand marine services businesses in a new division branded Programmed Resources. The impact of these changes on FY11 earnings is expected to be between \$1m and \$2m, due to restructuring costs and loss of offshore contracting earnings. No impairment of goodwill is envisaged.

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

Future Developments

Disclosure of information regarding likely developments in the operations of the consolidated entity in future financial years and the expected results of those operations, other than described above, is likely to result in unreasonable prejudice to the consolidated entity. Accordingly, this information has not been disclosed in this report.

Environmental Regulations

The consolidated entity aims to achieve a high standard on environmental matters, and has established procedures to be followed should an incident occur which has the potential to adversely impact the environment. During the financial year:

- licenses were renewed and taken out as and when required by environmental authorities; and
- the directors have not received notification nor are they aware of any significant breaches of environmental laws by the consolidated entity.

Although the consolidated entity is not currently required to comply with the Australian Federal Government's reporting requirements that support the Carbon Pollution Reduction Scheme, the consolidated entity established data collection systems and processes to report energy consumption and greenhouse gas emissions during the financial year.

Dividends

In respect of the financial year ended 31 March 2009, as detailed in the directors' report for that financial year, a final dividend of \$4,949 thousand (5.0 cents per share),

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franked to 100% at the 30% corporate tax rate, was paid to the holders of fully paid ordinary shares on 27 July 2009. The Company continued to activate the Dividend Reinvestment Plan (DRP) for the 2009 final dividend, with the DRP share price being \$2.57.

In respect of the financial year ended 31 March 2010, an interim dividend of \$3,539 thousand (3.0 cents per share), franked to 100% at the 30% corporate tax rate, was paid to the holders of fully paid ordinary shares on 27 January 2010. The Company continued to activate the Dividend Reinvestment Plan (DRP) for the 2010 interim dividend, with the DRP share price being \$3.63.

In respect of the financial year ended 31 March 2010, the directors declared a final dividend of \$7,090 thousand (6.0 cents per share), franked to 100% at the 30% corporate tax rate, payable to the holders of fully paid ordinary shares on 27 July 2010. The DRP will be suspended for the 2010 final dividend.

Indemnification of Officers

During the financial year, the Company paid a premium in respect of a contract insuring the directors of the Company (as named above), the company secretaries, Messrs I H Jones and S M Leach, and executive officers of the Company and of any related body corporate against a liability incurred as such a director, company secretary or executive officer to the extent permitted by the Corporations Act 2001. The contract of insurance prohibits disclosure of the nature of the liability and the amount of the premium.

The Company has not otherwise, during or since the financial year, indemnified or agreed to indemnify an officer or auditor of the Company or of any related body corporate against a liability incurred as such an officer or auditor.

Directors' Meetings

The following table sets out the number of directors' meetings (including meetings of committees of directors) held during the financial year and the number of meetings attended by each director. During the financial year, 15 board meetings, 5 audit compliance and risk management committee meetings and 2 nomination and remuneration committee meetings were held.

	Board of Directors		Audit Compliance and Risk Management Committee		Nomination and Remuneration Committee	
	Held	Attended	Held	Attended	Held	Attended
G A Tomlinson	15	15	–	–	2	2
C G Sutherland	15	15	–	–	–	–
S M Oliver	15	14	5	5	–	–
B J Pollock	15	15	5	5	2	2
J G Whittle	15	15	5	5	2	2

Unissued Shares or Interests under Option

Performance Options and Performance Rights

During the financial year, performance options and performance rights were approved by the Board of Directors for issue to executives of the consolidated entity as set out in the table below. No performance options or performance rights were granted to the Managing Director and non-executive directors during the financial year.

	Number granted	Grant date	Issue date	Vesting date	Expiry date	Exercise price \$	Fair value at grant date \$
Performance rights							
Tranche PR-11	8,000	18/01/2010	18/01/2010	17/01/2013	17/01/2014	–	1.80
Tranche PR-12	8,000	18/01/2010	18/01/2010	17/01/2014	17/01/2015	–	1.79
Tranche PR-13	9,000	18/01/2010	18/01/2010	17/01/2015	17/01/2016	–	1.75
Total performance rights	25,000						
Performance options							
Tranche PO-10	30,000	18/01/2010	18/01/2010	17/01/2013	17/01/2014	3.76	0.81
Tranche PO-11	30,000	18/01/2010	18/01/2011	17/01/2014	17/01/2015	See Note	0.82
Tranche PO-12	40,000	18/01/2010	18/01/2012	17/01/2015	17/01/2016	See Note	0.84
Total performance options	100,000						

Note: The exercise price for performance options in tranches PO-11 and PO-12 will be the volume weighted average price of the Company's shares for the thirty trading days prior to the issue date.

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- a. The performance options and performance rights were approved for issue to the executives of the consolidated entity in accordance with the Long Term Incentive Plan introduced in May 2007. Due to changes in the tax treatment of share-based payments following the May 2009 Federal Budget, no further performance rights or performance options will be granted under this Plan. The Company intends to introduce a new share-based compensation scheme in the next financial year.
- b. Subject to the satisfaction of vesting conditions in the Plan:
- each performance option converts into one fully paid ordinary share in the Company upon the payment of the applicable exercise price at the time of exercise. No amounts are paid or payable by the recipient on receipt of a performance option.
 - each performance right converts upon exercise into one fully paid ordinary share in the Company. No amounts are paid or payable by the recipient on receipt of a performance right.

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

Due to the lapsing of some performance options and performance rights, the number of unvested performance options and performance rights outstanding at 31 March 2010 was 3,185,000 and 952,500 respectively. The details of each tranche of performance options and performance rights are shown in Note 37 to the financial statements.

SWG Performance Shares

The 2009 Annual Report disclosed that the consideration for the acquisition of the SWG business included deferred consideration. At the 2009 Annual General Meeting, the shareholders approved the issue of 3,000 Performance Shares to comprise the deferred consideration.

The Performance Shares have limited rights. For example, they do not carry dividend or voting rights, they will not be listed, and they can be transferred only in very limited circumstances. They do, however, convert into fully paid ordinary shares in the capital of the Company depending upon the financial performance of the SWG business for each of the 3 financial years, being the financial years ending 30 June 2009, 30 June 2010 and 30 June 2011. The 3,000 Performance Shares comprise 3 separate tranches of 1,000 Performance Shares.

Because SWG did not meet the financial performance requirements for the FY2009, the 1,000 Performance Shares relating to that year only converted into 1 fully paid ordinary share in the Company.

As the SWG business is not expected to perform at the required level over the next two years, the 2,000 Performance Shares outstanding at 31 March 2010 are not anticipated to convert into any more than 2 fully paid ordinary shares. Notwithstanding this current expectation, it is possible that (if, for example, there is a significant change to levels of economic activity) some of the Performance Shares may convert into more fully paid ordinary shares in the Company.

Directors' Shareholdings

The following table sets out each director's relevant interest in shares, performance options and performance rights in the Company at the date of this report:

Director	Ordinary Shares No.	Performance Options No.	Performance Rights No.
G A Tomlinson	75,744	–	–
C G Sutherland	583,142	450,000	180,000
S M Oliver	8,391	–	–
B J Pollock	10,515	–	–
J G Whittle	1,793,056	–	–
Totals	2,470,848	450,000	180,000

Remuneration Report

This Remuneration Report, which forms part of the Directors' Report, sets out the information about the remuneration of the Company's and the consolidated entity's key management personnel for the financial year ended 31 March 2010. The prescribed details for each person covered by this report are detailed below under the following headings:

- details of key management personnel
- remuneration policy for key management personnel
- relationship between the remuneration policy and company performance
- remuneration of key management personnel
- key terms of employment contracts

1. Details of key management personnel

The term "key management personnel" is used in this report to refer to the following persons, who held their current position for the whole of the financial year and since the end of the financial year:

Directors

- G A Tomlinson (Chairman, non-executive director)
- C G Sutherland (Managing Director)
- S M Oliver (Non-executive director)
- B J Pollock (Non-executive director)
- J G Whittle (Non-executive director)

Executives

- S M Leach (Chief Financial Officer)
- M P Piwkowski (Chief Executive Officer, Property Services)
- B Styles (Chief Executive Officer, Workforce)
- S Taylor (Chief Executive Officer, Facilities Management)
- G Triggs (Chief Executive Officer, Marine Services)
- D Kaestner (Chief Executive Officer, Engineering Services)
- I H Jones (Company Secretary)
- J A Sherlock (Group General Manager, Human Resources)
- S Anderson (General Manager, SWG Offshore)
- N G Caigou (Executive General Manager, United Kingdom)

The executives included in the key management personnel include the top five remunerated executives of the Company and of the consolidated entity.

2. Remuneration policy for key management personnel

Use of Remuneration Consultants

The consolidated entity has used the advisory services of Hay Group for five years to provide advice on the remuneration of the non-executive directors, the managing director and senior executives. Access is provided by Hay Group to its remuneration database and the staff of the consolidated entity has been trained by Hay Group in its job grading methodology.

Hay Group is commissioned by the Group General Manager, Human Resources to provide the remuneration advice and recommendations. The recommendations relating to the Managing Director's remuneration is sent directly to the Chairman, with the recommendations for the senior

executives' remuneration being sent directly to the Managing Director. The recommendations for the non-executive directors' fees are sent to the Group General Manager, Human Resources, who provides the report to the Chairman and Managing Director.

Non-Executive Directors

Non-executive director fees are paid in cash and determined by the Board Nomination and Remuneration Committee following consideration of market conditions and views of the remuneration consultants. Other than statutory superannuation payments, there are no retirement benefits or other allowances paid on behalf of non-executive directors. Non-executive directors' fees do not incorporate any bonus or incentive element, and the non-executive directors do not participate in any share-based incentive plans.

The annual non-executive director fees are set within the maximum aggregate directors' remuneration limit set, in accordance with the Company's constitution and the ASX Listing Rules, by a general meeting of shareholders. The latest determination was at the Annual General Meeting held on 3 August 2007 when shareholders approved a maximum aggregate remuneration of \$575,000.

With the significant growth in the breadth of the business operations of the consolidated entity, combined with intended future expansion in the size of the Board (as described above on page 14) the directors propose to seek approval at the 2010 Annual General Meeting of an increase of \$275,000 per annum in the limit. The proposed increase to the maximum annual aggregate of \$850,000 is not intended to be utilised in the immediate future.

Executives

The remuneration policy for the Managing Director and other key management personnel aims to provide fair and equitable remuneration in order to retain and attract executives of sufficient calibre to facilitate the efficient and effective management of the consolidated entity's operations. The policy has been consistently applied over past years, except where noted below, and sets remuneration levels that are:

- market competitive, based on independent benchmark research provided by the remuneration consultants; and
- structured for the Managing Director and other key management personnel to reward the achievement of defined annual goals directly linked to performance and the creation of longer term shareholder wealth.

The remuneration packages of the Managing Director and other executives being members of the key management personnel are reviewed at least annually by the Nomination and Remuneration Committee. These packages combine:

- Fixed annual remuneration, including superannuation and allowances;
- Short term performance incentives assessed over the Company's financial year; and
- Long term performance incentives assessed over periods of three to five years.

Due to the revised taxation treatment of employee share plans and related securities announced in the Federal Budget speech on 12 May 2009, the consolidated entity

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Remuneration Report continued

has made changes to the various short term and long term incentives. These changes are described below in the appropriate sections.

Fixed Annual Remuneration

The market rate of fixed annual remuneration is determined through analysis of data provided by the remuneration consultants and consideration of the consolidated entity's particular circumstances. The consolidated entity seeks to benchmark the remuneration paid to the Managing Director and other key management personnel based on comparative data provided by the consultants.

The comparative data used for the Managing Director is obtained from listed Australian companies. For other key management personnel, the comparative data from both listed Australian companies and subsidiaries of international groups is used where relevant.

The actual level of remuneration appropriate for each executive is determined based on the following principles:

- a. Market based remuneration – remuneration is based on the current position held by the relevant key executive; and
- b. Positioning within the market range – where a key executive sits within the relevant market range is determined by performance as well as market and internal relativities. Key executives that are top performers are remunerated at or near the top of the range while less experienced or lesser performing key managers are remunerated between the base and mid-point of the range. Progression within the range is based on an assessment of performance during the preceding assessment period.

Each executive is given the opportunity to receive their fixed remuneration in a variety of forms, including cash and other benefits. This enables the form of fixed remuneration to be optimal for each executive without creating undue cost for the consolidated entity.

Short Term Incentives

For the short term incentive payments made in the 2010 (relating to 2009 performance) and 2009 (relating to 2008 performance) financial years, the Board Nomination and Remuneration Committee used key performance indicators ("KPIs") which measure the overall success of the consolidated entity. The majority of KPIs related to achievement of corporate targets in respect of financial performance, customer satisfaction, employee safety and business improvement projects, as described in Section 3 below.

The Board Nomination and Remuneration Committee considers the final results and KPIs for each year prior to determining if any short term incentives are to be paid. If the annual financial results and KPI targets are met, the Committee then determines the amounts and allocation of the bonus pool to applicable executives. Payment of any applicable short term incentives is made in the year following the relevant assessed financial year. All of the executives of the consolidated entity have similar "Executive Service

Agreements" (refer to Section 5 below for key contractual details) which specify the fixed annual remuneration as well as entitlements to short term and long term incentives.

Under his Executive Service Agreement, the Managing Director can receive a short term incentive paid in the Company's shares or cash up to the value of 50% of his fixed annual remuneration payable upon achievement of KPIs. These KPIs are agreed upon between the Managing Director and Board Nomination and Remuneration Committee as part of the annual budget process, against which the Managing Director's performance will be measured.

Under the short term incentive plans contained in their "Executive Service Agreements", the other executives in the key management personnel have a maximum potential of 30% of fixed annual remuneration. For the short term incentive payments made in the 2010 (relating to 2009 performance) financial year, the payment of up to 30% of fixed annual remuneration was made on the following basis:

- a. one third of the incentive was paid in cash or in the Company's shares under the Employee Share Acquisition Scheme;
- b. one third was paid in the Company's shares under the Employee Share Acquisition Scheme; and
- c. one third was paid in the Company's shares and deferred for three years, subject to the executive continuing to be an employee of the consolidated entity at the end of the three year period.

The shares acquired for short term incentive allocations were purchased on market. The Employee Share Acquisition Scheme was set up in July 2007 and provided for any incentives or bonuses in excess of \$1,000 earned by any employee of the consolidated entity to be paid in the form of the Company's shares, and enabled deferral of taxation under the applicable legislation.

Changes to Short Term Incentives

For the short term incentive payments to be made in the 2011 (relating to 2010 performance) financial year, the Board Nomination and Remuneration Committee approved in February 2010 the new Senior Manager Bonus Plan. In June 2010, the Committee will consider the recommendations relating to individual executives under this Plan, which will be paid in July 2010. The financial statements for the year ended 2010 include an aggregate accrual for total payments to be made under this Plan. Any adjustments between the actual amounts paid in July 2010 as determined by the Committee and the aggregate accrual will be adjusted in the 2011 financial year.

The new Senior Manager Bonus Plan provides for the payment of up to 30% of fixed annual remuneration on the following basis:

- a. one third of the incentive is to be paid in cash or in the Company's shares;
- b. one third is to be paid in the Company's shares (the "retention shares"); and
- c. one third was paid in the Company's shares (the "bonus shares"), subject to the executive continuing to be an employee of the consolidated entity at the end of the forfeiture periods described below.

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The Senior Manager Bonus Plan is split into the two categories of "Executive" and "Senior Manager", and the shares issued under the Plan have the following characteristics and restrictions:

	Executive	Senior Manager
Retention Shares		
– forfeiture period	1 year	1 year
– period of trading restriction	3 years from expiry of forfeiture period	1 year from expiry of forfeiture period
– dividends paid	From date of share issue	From date of share issue
Bonus Shares		
– forfeiture period	2 years	2 years
– period of trading restriction	2 years from expiry of forfeiture period	None
– dividends paid	From expiry date of forfeiture period	From expiry date of forfeiture period

Long Term Incentives

On 4 May 2007, the Board of Directors approved the Long Term Incentive Plan, which is a share-based compensation scheme for executives and senior employees of the consolidated entity. Executives and senior employees have been granted performance rights and/or performance options under this Plan. The long term incentive plans contained in the "Executive Service Agreements" of the Managing Director and the other executives in the key management personnel contain the same performance criteria as the Long Term Incentive Plan. The characteristics of the securities issued under this Plan are:

- Each performance option converts into one fully paid ordinary share in the Company upon the payment of the applicable exercise price at the time of exercise. No amounts are paid or payable by the recipient on receipt of a performance option. Each performance right converts upon exercise into one fully paid ordinary share in the Company. No amounts are paid or payable by the recipient on receipt or exercise of a performance right.
- Performance options have a vesting date that is three years from the date of issue, and may be exercised at any time within twelve months from the date of vesting. Performance rights have vesting dates that are three to five years from the date of issue, and may be exercised at any time within twelve months from the date of vesting. Both performance rights and performance options carry neither rights to dividends nor voting rights.

The performance criteria are based on the Company's performance ranking over the relevant period (the "Performance Period") determined by reference to the Total Shareholder Return ("TSR") of the Company during the Performance Period as compared to the TSR for each company in a peer group of companies. The peer group of companies comprises the companies listed in the S&P/ASX 300 (ranked by market capitalisation) after excluding resource companies, banks and listed property trusts. A peer company continues to be included in the comparator group for entire Performance Period, except where the company is delisted due to takeover or merger.

The Company's "Performance Ranking" within that group of companies at the end of the relevant Performance Period determines the number of performance rights or performance options in the particular tranche that vest and become exercisable (if any), as follows:

Performance Criteria	Number of Performance Rights or Performance Options exercisable
Performance Ranking below 50th Percentile	No performance rights or performance options exercisable (as applicable)
Performance Ranking at the 50th Percentile	50% of the performance rights or performance options exercisable (as applicable) in the tranche available to be exercised
Performance Ranking between the 50th and 75th Percentile (both inclusive)	Performance rights or performance options exercisable (as applicable) in the tranche available to be exercised will be determined on a pro-rata basis between 50% and 100% depending on the Company's percentile Performance Ranking
Performance Ranking at or above 75th Percentile	100% of performance rights or performance options exercisable (as applicable) in the tranche available to be exercised

The performance rights and performance options in each particular tranche which become exercisable will become available for exercise from the day after the last day of the Performance Period (the "Exercise Date"). Any performance rights or performance options in a particular tranche which do not become exercisable will lapse on the last day of the Performance Period.

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The performance rights and performance options available for exercise can be exercised at any time over the twelve month period beginning on the Exercise Date (the "Exercise Period"). Any performance rights and performance options that have not been exercised by the end of the Exercise Period will lapse at that time.

If the Company becomes the subject of:

- a. a takeover bid and the bid is accepted;
- b. a scheme of arrangement and the scheme proceeds with shareholder and regulatory approval; or
- c. an arrangement which passes control of 51% or more of the share capital;

then any unvested performance right or performance option instalment issued will vest upon acceptance subject to the Performance Criteria described above, with the implied price of the Company's shares at the completion of the takeover or scheme to be used in determining the Company's Performance Ranking. In the event of any capital reconstruction (e.g. bonus issues or rights issues), the number of performance rights or performance options allocated to an Executive will be adjusted in proportion for the impact of the capital reconstruction at the discretion of the Board.

Changes to Long Term Incentives

The Board Nomination and Remuneration Committee approved in February 2010 a number of changes to the Long Term Incentive Plan. In June 2010, the Committee will consider the recommendations relating to individual executives under this Plan, with the proposed securities to be issued in July 2010. The major changes to the Plan are:

- a. for Performance Rights:
 - the performance hurdle for one-third of the Performance Rights would be based on the executive continuing to be an employee of the consolidated entity at the vesting date; thus creating a retention component
 - the performance hurdle for the remaining two-thirds of the Performance Rights would continue to be the TSR Performance Ranking described above
- b. for Performance Options:
 - the current intention is not to issue Performance Options; and
 - notwithstanding this intention, the Plan is amended to replace the TSR performance hurdle in the vesting calculation with the hurdle being that the Performance Options do not become exercisable until they are within the exercise period and the Programmed share price has exceeded the exercise price by 10%.

3. Relationship between the remuneration policy and company performance

For the short term incentive payments made in the 2010 (relating to 2009 performance) and 2009 (relating to 2008 performance) financial years, the majority of key performance indicators ("KPIs") related to the achievement of corporate targets in respect of financial performance, customer satisfaction, employee safety and business improvement projects. Each target was assessed individually and had an objective measurement which was readily and easily identifiable and measurable. The financial performance was based on earnings before interest and tax, profit after tax and earnings per share targets. Customer satisfaction was measured by results from regular customer surveys, safety was measured by the Lost Time Injury Frequency Rate and business improvement projects were measured by both successful implementation and targeted results being achieved.

The Board Nomination and Remuneration Committee considers the final results and KPIs for each year prior to determining if any short term incentives are to be paid. If the annual financial results and KPI targets are met, the Committee then determines the amounts and allocation of the bonus pool to applicable executives. Payment of any applicable short term incentives is made in the year following the relevant assessed financial year. In the opinion of the Committee, net profit after tax, customer satisfaction, business improvement and safety are all key fundamental drivers of shareholder wealth, and accordingly it is appropriate for the Managing Director and other executives to be remunerated on the basis of performance in these areas.

The Board believes that the operational and financial performance of the consolidated entity over the past five years has been strong, notwithstanding the difficult market conditions of more recent years. The Board is of the view that the remuneration policy has enabled the consolidated entity to attract and retain high quality executives, and that the remuneration of those executives has been consistent with the consolidated entity's performance. Both the short term and long term incentive plans increase the relationship between the remuneration policy and the consolidated entity's performance. The compensation payable in these plans is in either the Company's shares, or performance options and performance rights that are exercisable into the Company's shares when the Company's total shareholder return exceeds the average of its relevant peer group.

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Remuneration Report continued

The table below sets out summary information about the consolidated entity's earnings and movements in shareholder wealth for the five years to 31 March 2010:

	Financial Years ended 31 March				
	2006 \$'000	2007 \$'000	2008 \$'000	2009 \$'000	2010 \$'000
Revenue	283,379	332,999	933,769	1,229,540 ²	1,163,278
Profit before tax	29,727	32,554	38,102	40,187 ²	39,891
Profit after tax	20,171	22,399	28,422	28,072	26,164
Growth in profit after tax	10.5%	11.0%	26.9%	-1.2%	-6.8%
Earnings per share (cents) ¹	29.2	32.2	36.5	33.1	26.2
Dividends					
Total dividends per share (cents)	17.0	18.5	20.0	14.5	9.0
Dividend payout ratio	60%	59%	66%	51%	37%
Dividend franking	100.0%	100.0%	100.0%	100.0%	100.0%
Share Price at 31 March	\$3.61	\$5.15	\$5.20	\$2.49	\$3.08
No. of Shares issued at 31 March (millions)	71.2	71.2	90.0	99.0	118.2
Market Capitalisation at 31 March (\$million)	257	367	468	246	364

Notes:

1 Earnings per share is shown pre-amortisation of identifiable intangibles for the 2008–2010 financial years.

2 2009 includes revenue and profit before tax of discontinued operations comprising Industrial Services (Barry Bros).

4. Remuneration of key management personnel

The aggregate compensation of key management personnel, including the top five remunerated executives, of the Company and of the consolidated entity is set out below, and has been subject to audit:-

	Consolidated		Company	
	2010 \$	2009 \$	2010 \$	2009 \$
Short-term employment benefits	5,083,614	3,797,126	2,645,163	2,726,626
Post-employment benefits	221,890	263,021	132,038	171,206
Other long-term benefits	77,941	55,473	57,942	45,486
Termination benefits	–	–	–	–
Share-based payment	846,263	1,158,627	622,047	929,079
TOTALS	6,229,708	5,274,247	3,457,190	3,872,397

The compensation of each member of the key management personnel of the consolidated entity is set out below for the current and previous financial year, and has been subject to audit. Please note that the bonuses paid relate to performance for the previous financial year and share-based options and rights payments are yet to be actually earned and remain subject to performance vesting criteria for periods up to five years.

Directors' Report continued

Remuneration Report continued

2010	Short-term employee benefits			Post-employment benefits	Other Long-term Employee Benefits	Termination Benefits	Share-based payment – Equity settled		TOTALS
	Salary & Fees	Bonus ¹	Non-monetary	Super-annuation	Shares		Options & Rights ²		
	\$	\$	\$	\$	\$	\$	\$	\$	\$
Directors									
G A Tomlinson	140,367	–	–	12,633	–	–	–	–	153,000
C G Sutherland	713,945	–	39,481	16,055	10,551	–	85,000	147,702	1,012,734
S M Oliver	70,000	–	–	6,300	–	–	–	–	76,300
B J Pollock	75,000	–	–	6,750	–	–	–	–	81,750
J G Whittle	70,000	–	–	6,300	–	–	–	–	76,300
Executives									
S M Leach	354,070	11,468	7,058	15,328	7,853	–	12,500	92,755	501,032
M P Piwkowski	354,942	–	3,036	20,058	15,634	–	17,000	92,755	503,425
B Styles	289,947	–	10,523	17,710	6,120	–	–	66,925	391,225
S Taylor	295,319	13,303	(2,337)	17,842	13,935	–	14,500	49,427	401,989
G Triggs	306,666	20,183	31,570	17,045	13,879	–	22,000	66,925	478,268
D Kaestner	360,000	–	142,185	36,900	–	–	–	–	539,085
I H Jones	283,349	–	14,444	14,958	6,099	–	–	73,767	392,617
J A Sherlock	194,645	4,587	2,486	15,814	3,870	–	5,000	31,641	258,043
S Anderson ³	373,936	–	126,535	18,197	–	–	–	–	518,668
N G Caigou ³	302,993	–	473,913	–	–	–	–	68,366	845,272
TOTALS	4,185,179	49,541	848,894	221,890	77,941	–	156,000	690,263	6,229,708
2009									
Directors									
G A Tomlinson	140,367	–	–	12,633	–	–	–	–	153,000
C G Sutherland ⁴	714,723	–	31,051	15,277	–	–	168,000	154,005	1,083,056
N D Hamilton ⁵	64,167	–	–	5,775	–	–	–	–	69,942
S M Oliver	70,000	–	–	6,300	–	–	–	–	76,300
B J Pollock	75,000	–	–	6,750	–	–	–	–	81,750
J G Whittle	70,000	–	–	6,300	–	–	–	–	76,300
Executives									
S M Leach	328,837	70,000	13,998	13,855	–	–	50,000	96,784	573,474
M P Piwkowski	335,500	8,667	1,506	38,659	31,419	–	89,333	96,784	601,868
B Styles	271,800	42,000	15,724	24,462	–	–	50,000	64,774	468,760
S Taylor	265,797	–	7,558	23,922	5,826	–	50,000	44,863	397,966
G Triggs	322,387	55,046	27,196	38,969	9,987	–	50,000	64,774	568,359
D Kaestner	276,922	–	59,425	28,384	–	–	–	–	364,731
I H Jones	271,201	4,587	33,722	22,123	4,517	–	70,000	75,718	481,868
J A Sherlock	190,434	25,000	4,511	19,612	3,724	–	–	33,592	276,873
TOTALS	3,397,135	205,300	194,691	263,021	55,473	–	527,333	631,294	5,274,247

Notes:

- The bonuses paid relate to performance for the previous financial year; for 2010, the bonuses relate to 2009, and for 2009 the bonuses relate to 2008.
- The share based payments are yet to be earned and are subject to performance vesting criteria for periods of three to five years.
- The data relating to Mr S Anderson and Mr N G Caigou includes non-monetary benefits paid as part of an expatriate package, such as rental allowances and school fees.
- Due to a processing error, Mr C G Sutherland was underpaid during 2009. This was corrected in 2010. His remuneration data shown above has been restated from the amounts disclosed in the 2009 Annual Report.
- As Mr N D Hamilton retired as a Director on 23 February 2009, his 2009 remuneration is shown for the period from 1 April 2008 to 23 February 2009.
- All of the key management personnel are related to the company, with the exceptions of the following executives who are related to the consolidated entity for the respective years: 2010: B Styles, G Triggs, D Kaestner, S Anderson and N Caigou 2009: B Styles, G Triggs and D Kaestner

Directors' Report continued

Remuneration Report continued

Bonuses and share-based payments granted as compensation for the current financial year.

a. Short Term Incentives

The cash bonuses paid and shares granted during 2010 to key management personnel under the short term incentive plans are shown in the table below.

The short term incentives, described above in Section 2, related to performance in the 2009 financial year. The shares granted are held in the Employee Share Acquisition Scheme.

Name	Cash bonus \$	% of compensation for the year consisting of cash bonus	Value of shares granted \$	% of compensation for the year consisting of shares	% of compensation for the year consisting of all short term incentives
Director					
C G Sutherland	–	–	85,000	8.4%	8.4%
Executives					
S M Leach	11,468	2.3%	12,500	2.5%	4.8%
M P Piwkowski	–	–	17,000	3.4%	3.4%
S Taylor	13,303	3.3%	14,500	3.6%	6.9%
G Triggs	20,183	4.2%	22,000	4.6%	8.8%
J A Sherlock	4,587	1.8%	5,000	1.9%	3.7%

b. Long Term Incentives

During the financial year, the share-based payment arrangements comprising performance rights and performance options, as shown in the following table, were in existence. None of the performance rights and performance options had vested by the end of the financial year.

	Grant date	Issue date	Vested number	Unvested number	Vesting date	Expiry date	Exercise price \$	Fair value at grant date \$
Performance rights								
Tranche PR-1	22/06/2007	22/06/2007	–	452,500	01/07/2010	30/06/2011	–	3.35
Tranche PR-2	08/08/2008	08/08/2008	–	60,000	21/01/2011	21/01/2012	–	1.73
Tranche PR-3	08/08/2008	08/08/2008	–	60,000	21/01/2012	21/01/2013	–	1.72
Tranche PR-4	08/08/2008	08/08/2008	–	60,000	21/01/2013	21/01/2014	–	1.69
Tranche PR-5	12/03/2008	12/03/2008	–	49,500	11/03/2011	11/03/2012	–	2.03
Tranche PR-6	12/03/2008	12/03/2008	–	49,500	11/03/2012	11/03/2013	–	1.99
Tranche PR-7	12/03/2008	12/03/2008	–	61,000	11/03/2013	11/03/2014	–	1.95
Tranche PR-8	12/03/2009	12/03/2009	–	42,500	11/03/2012	11/03/2013	–	0.83
Tranche PR-9	12/03/2009	12/03/2009	–	42,500	11/03/2013	11/03/2014	–	0.81
Tranche PR-10	12/03/2009	12/03/2009	–	50,000	11/03/2014	11/03/2015	–	0.79
Tranche PR-11	18/01/2010	18/01/2010	–	8,000	17/01/2013	17/01/2014	–	1.80
Tranche PR-12	18/01/2010	18/01/2010	–	8,000	17/01/2014	17/01/2015	–	1.79
Tranche PR-13	18/01/2010	18/01/2010	–	9,000	17/01/2015	17/01/2016	–	1.75
Total of performance rights			–	952,500				

Directors' Report continued

Remuneration Report continued

	Grant date	Issue date	Vested number	Unvested number	Vesting date	Expiry date	Exercise price \$	Fair value at grant date \$
Performance options								
Tranche PO-1	08/08/2008	21/01/2008	–	150,000	21/01/2011	21/01/2012	4.82	0.58
Tranche PO-2	08/08/2008	21/01/2009	–	150,000	21/01/2012	21/01/2013	2.66	0.63
Tranche PO-3	08/08/2008	21/01/2010	–	150,000	21/01/2013	21/01/2014	3.90	0.69
Tranche PO-4	12/03/2008	12/03/2008	–	616,000	11/03/2011	11/03/2012	4.80	0.61
Tranche PO-5	12/03/2008	12/03/2009	–	616,000	11/03/2012	11/03/2013	2.16	0.69
Tranche PO-6	12/03/2008	12/03/2010	–	743,000	11/03/2013	11/03/2014	3.23	0.77
Tranche PO-7	12/03/2009	12/03/2009	–	211,200	11/03/2012	11/03/2013	2.16	0.22
Tranche PO-8	12/03/2009	12/03/2010	–	211,200	11/03/2013	11/03/2014	3.23	0.23
Tranche PO-9	12/03/2009	12/03/2011	–	237,600	11/03/2014	11/03/2015	See Note	0.25
Tranche PO-10	18/01/2010	18/01/2010	–	30,000	17/01/2013	17/01/2014	3.76	0.81
Tranche PO-11	18/01/2010	18/01/2011	–	30,000	17/01/2014	17/01/2015	See Note	0.82
Tranche PO-12	18/01/2010	18/01/2012	–	40,000	17/01/2015	17/01/2016	See Note	0.84
Total of performance options			–	3,185,000				

Note: The exercise price for performance options in tranches PO-9, PO-11 and PO-12 will be the volume weighted average price of the Company's shares for the thirty trading days prior to the issue date.

There were no grants of performance rights and performance options to key management personnel made during the current financial year. No share-based payment compensation of the key management personnel was exercised or had lapsed during the current financial year, and none had vested by the end of the financial year.

Directors' Report continued

Remuneration Report continued

5. Key terms of employment contracts

Managing Director

Set out below are the key terms of the Executive Service Agreement ("the Agreement") of the Managing Director, Mr C G Sutherland:

Term	From 21st January 2008 until one of the following occurs: a. The Company gives the Managing Director 6 months' written notice; b. The Managing Director gives the Company 6 months' written notice; or c. The Company terminates the Agreement due to actions of the Managing Director such as serious misconduct, dishonesty and bankruptcy.
Payments on Termination	<p>If the Agreement is terminated under (a) or (b) above, the Company has the discretion to, at any time, during the notice period either bring the Agreement to an immediate end and pay the remuneration that would have been received during the remaining notice period, or require the Managing Director to undertake alternative duties or to remain at home for the remaining notice period.</p> <p>If the Agreement is terminated under (c) above, the Company is only obliged to pay the Managing Director any accrued remuneration, including superannuation and leave entitlements.</p>
Remuneration	<p>Fixed Annual Remuneration \$730,000 comprising base salary, superannuation contribution and benefits as allocated by the Managing Director in accordance with the Company's policies.</p> <p>Review of Remuneration The remuneration will be reviewed at least annually, with any increase at the absolute discretion of the Company.</p> <p>Annual Leave Four weeks' annual leave per annum (in addition to public holidays).</p> <p>Long Service Leave Thirteen weeks for fifteen years' service, with pro rata long service leave after ten (10) years service or seven (7) years on termination.</p> <p>Other Leave Personal and compassionate leave as defined in the Company's policies.</p> <p>Short term Incentive Up to 50% of fixed annual remuneration payable in the Company's shares or cash upon achievement of KPIs.</p> <p>Long term Incentive Refer to Section 2 above for details of long term incentives and performance criteria.</p>
Restraint	<p>Activities The Managing Director cannot participate (whether as a lender, investor, shareholder, unitholder, beneficiary or otherwise) in any of the "Restrained Activities" which include:</p> <ul style="list-style-type: none">• a business or activity of a type similar to any business or activity conducted by any member of the consolidated entity;• an attempt to seek custom from any customer of the consolidated entity;• an attempt to hire any employee (or full time consultant) of the consolidated entity. <p>Duration The restraint applies for the duration of the term of employment and for a period of six months after the term ceases.</p> <p>Geography The restraint applies to all countries in which the consolidated entity operates.</p>

Directors' Report continued

Remuneration Report continued

Other Executives

Set out below are the key terms of the Executive Service Agreement ("the Agreement") of the other executives being members of the key management personnel:

Term	From the commencement date until one of the following occurs: a. The consolidated entity gives the Executive 3 months' written notice; b. The Executive gives the consolidated entity 3 months' written notice; or c. The consolidated entity terminates the Agreement due to actions of the Executive such as serious misconduct, dishonesty and bankruptcy; or d. The Executive is terminated as a result of redundancy arising from genuine structural change or changes to operational requirements.
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Payments on Termination	If the Agreement is terminated under (a) or (b) above, the consolidated entity has the discretion to, at any time, during the notice period either bring the Agreement to an immediate end and pay the remuneration that would have been received during the remaining notice period, or require the Executive to undertake alternative duties or to remain at home for the remaining notice period.
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If the Agreement is terminated under (c) above, the consolidated entity is only obliged to pay the Executive any accrued remuneration, including superannuation and leave entitlements.

If the Agreement is terminated under (d) above, the Executive is entitled to receive the following severance payments, in addition to any notice given or payment made in lieu, of:

Period of continuous service	Severance payment (months' pay)
Less than 5 years	3
More than 5 years but not more than 6 years	4
More than 6 years but not more than 7 years	5
More than 7 years but not more than 8 years	6
More than 8 years but not more than 9 years	7
More than 9 years but not more than 10 years	8
10 years and over	9

Note: A "months' pay" shall mean the equivalent of the Fixed Annual Remuneration divided by 12.

Remuneration	<p>Fixed Annual Remuneration Comprises base salary, superannuation contribution and benefits as allocated by the Executive in accordance with the consolidated entity's policies.</p> <p>Review of Remuneration The remuneration will be reviewed at least annually, with any increase at the absolute discretion of the consolidated entity.</p> <p>Annual Leave Four to six weeks' annual leave per annum (in addition to public holidays).</p> <p>Long Service Leave In accordance with the relevant legislation.</p> <p>Other Leave Personal and compassionate leave as defined in the consolidated entity's policies.</p> <p>Short term Incentive Up to 30% of fixed annual remuneration payable in the Company's shares as described in Section 2 above.</p> <p>Long term Incentive Refer to Section 2 above for details of long term incentives and performance criteria.</p>
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Directors' Report continued

Remuneration Report continued

Restraint

Activities

The Executive cannot participate (whether as a lender, investor, shareholder, unitholder, beneficiary or otherwise) in any of the "Restrained Activities" which include:

- a business or activity of a type similar to any business or activity conducted by any member of the consolidated entity;
- an attempt to seek custom from any customer of the consolidated entity;
- an attempt to hire any employee (or full time consultant) of the consolidated entity.

Duration

The restraint applies for the duration of the term of employment and for periods of three months and six months after the term ceases.

Geography

The restraint applies to all regions for which the Executive has responsibility.

Dealing in the Company's Securities

The Company's Share Trading Policy restricts directors and designated executives (defined as the executives that directly report to the Managing Director, and the managers that directly report to such executives) to only trade in the company's securities during the 30 days (the "trading window") commencing immediately after each of the following occasions:

- the release by the company of its half-yearly results to the ASX;
- the release by the company of its annual results to the ASX; and
- the close of the Annual General Meeting of the company.

A director or designated executive may not trade in the company's securities outside of the trading window unless approval is given in accordance with the Share Trading Policy.

Prior to trading in (either buying or selling) the company's securities, directors and designated executives must notify the appropriate person of their intention to trade and confirm that they are not in possession of any unpublished price sensitive information. This requirement does not apply to the acquisition of securities through any incentive plan, nor to the exercise of any security that has vested in accordance with any incentive plan resulting in the holding of a listed security in the company. However, the requirement does apply to the trading of the listed securities once they have been acquired.

The Share Trading Policy requires the Company Secretary to maintain a register of all trades and holdings in company securities by directors and designated executives. Directors and designated executives must notify the Company Secretary of any trade in the company's securities within 2 days of such trade occurring. The Company Secretary will comply with the ASX Listing Rule 3.19A requirement to notify the ASX of any change in a notifiable interest held by a director.

The Share Trading Policy requires that prior to a director or a designated executive seeking to establish a margin loan facility that is to be secured wholly or partly by the company's securities, that director or designated executive has to notify the appropriate person.

Directors' Report continued

Qualifications of Company Secretary

Ian Jones has been the Company Secretary since 19 September 2000. He holds a Bachelor of Commerce and Master of Business Administration from the University of Melbourne, and has been a Chartered Accountant and Chartered Secretary for over twenty-five years. Prior to joining the Company, Ian held senior financial roles for over ten years with AXA/National Mutual.

Stephen Leach has been the Company Secretary since 4 February 2008 and was appointed as the Chief Financial Officer of Programmed in August 2007 after being the Chief Financial Officer and Company Secretary of Integrated from October 2005. Prior to joining Integrated, Stephen was Group Financial Controller of Macmahon Holdings Limited. He holds a Bachelor of Commerce from Rhodes University, South Africa.

Declaration of Managing Director and Chief Financial Officer

The Directors have received a declaration from the Managing Director and the Chief Financial Officer, in their performance of the functional roles as chief executive and chief financial officer respectively that complies with Section 295A of the Corporations Act 2001.

Auditor and Disclosure of Officers who are Former Auditors

Deloitte Touche Tohmatsu continue in office as auditor in accordance with Section 327 of the Corporations Act 2001. No officer of the consolidated entity who held office during the financial year, and no current officer, was formerly a partner or director of Deloitte Touche Tohmatsu.

Non-audit services

Details of amounts paid or payable to the auditor for non-audit services provided during the year by the auditor are outlined in Note 40 to the financial statements. The directors are satisfied that the provision of non-audit services, during the year, by the auditor (or by another person or firm on the auditor's behalf) is compatible with the general standard of independence for auditors imposed by the Corporations Act 2001.

The directors are of the opinion that the services as disclosed in Note 40 to the financial statements do not compromise the external auditor's independence, based on advice received from the Board Audit Compliance & Risk Management Committee, for the following reasons:

- all non-audit services have been reviewed and approved to ensure that they do not impact the integrity and objectivity of the auditor; and
- none of the services undermine the general principles relating to auditor independence as set out in Code of Conduct APES110 Code of Ethics for Professional Accountants issued by the Accounting Professional & Ethical Standards Board, including reviewing or auditing the auditor's own work, acting in a management or decision-making capacity for the consolidated entity, acting as an advocate for the consolidated entity or jointly sharing economic risks and rewards.

Auditor's independence declaration


The auditor's independence declaration is included on page 102 of the financial statements.

Rounding Off of Amounts

The Company is a company of the kind referred to in ASIC Class Order 98/0100, dated 10 July 1998, and in accordance with the Class Order, amounts in the directors' report and the financial report are rounded off to the nearest thousand dollars.

Signed in accordance with the resolution of the Directors made pursuant to Section 298(2) of the Corporations Act 2001.

On behalf of the Directors



C G Sutherland
Director

16 June 2010