

Section 7

Additional Information



Section 7 – Additional Information

7.1 Structure and effect of the Scheme

If the Scheme becomes Effective, the Merger will proceed and result in:

- each Scheme Shareholder ceasing to be a holder of, or having any interest in, their Integrated Shares;
- Programmed becoming the holder of all the Integrated Shares by the transfer to Programmed of all of the Scheme Shares;
- each Scheme Shareholder receiving the Scheme Consideration as described in section 7.5 (Scheme Consideration); and
- Integrated becoming a wholly-owned subsidiary of Programmed,

on the Implementation Date.

It is anticipated that Integrated Shares will cease trading on ASX from the close of trading on 28 May 2007. After the Implementation Date, Integrated Shares will be removed from quotation on the official list of ASX.

Programmed will remain a listed company on ASX following the Implementation Date. Programmed will apply to ASX for official quotation of the New Programmed Shares to be issued under the Scheme within 7 days after the date of this Scheme Booklet.

The Scheme will not be implemented unless all of the conditions precedent have been satisfied, or where applicable, waived, in accordance with the Merger Implementation Agreement, as summarised in section 7.3.

7.2 Implementation of the Scheme

a) Overview of the Scheme and the Scheme Meeting

On 30 March 2007, Programmed executed a Deed Poll in favour of Scheme Shareholders pursuant to which:

- Programmed agreed to provide to each Integrated Shareholder who held Integrated Shares as at the Record Date, the Scheme Consideration for their Integrated Shares; and
- Programmed agreed to perform its obligations under the Scheme,

subject to the Scheme becoming Effective.

The Deed Poll is set out in Appendix 4.

On 2 April 2007, the Court ordered that Integrated convene a Scheme Meeting of Integrated Shareholders at 11.00am on 10 May 2007 at the Karri Room, the Parmelia Hilton Hotel, Perth, Western Australia, for the purposes of considering and, if thought fit, approving the Scheme.

At the Scheme Meeting, Integrated Shareholders will be asked to consider, and if thought fit, to pass the following resolution in relation to the Scheme:

"That, pursuant to and in accordance with section 411 of the Corporations Act, the scheme of arrangement (which is described in the Scheme Booklet of which the notice convening this meeting forms part) proposed to be entered into between the Company and its fully paid ordinary shareholders is approved and should be implemented (with or without modification as approved by the Federal Court of Australia)."

b) Steps to implement the Scheme

Integrated and/or Programmed will take, or procure the taking of, the following steps required to implement the Scheme:

- on 10 May 2007, Integrated Shareholders will vote at the Scheme Meeting on the Scheme;
- if the necessary Integrated Shareholder approvals are obtained and the relevant conditions precedent have been satisfied or, where applicable, waived, Integrated will apply to the Court for an order approving the Scheme;
- if the Court makes this order, Integrated will lodge with ASIC an office copy of the Court order under section 411 of the Corporations Act approving the Scheme;
- if the Scheme becomes Effective, on the Implementation Date, the Scheme Consideration will be paid to relevant Scheme Shareholders in accordance with the terms of the Scheme; and
- on the Implementation Date, all of the Scheme Shares will be transferred to Programmed and Integrated will enter the name of Programmed in the Integrated Share Register as the holder of all the Integrated Shares.

Both Integrated and Programmed will become entitled to terminate the Merger Implementation Agreement if the Scheme has not become Effective on or before the Sunset Date.

c) Entitlement to vote at the Scheme Meeting

Integrated Shareholders who hold Integrated Shares at 5.00 pm on 8 May 2007 are entitled to vote on the resolution to approve the Scheme. For further details on how to vote at the Scheme Meeting, see page 13 of this Scheme Booklet (How to vote).

d) Integrated Shareholder agreement to the Scheme

For the Scheme to proceed:

- a majority in number (i.e. more than 50%) of Integrated Shareholders who vote at the Scheme Meeting (in person or by proxy) must vote in favour of the resolution to approve the Scheme; and
- at least 75% of the total number of votes cast at the Scheme Meeting (whether in person or by proxy) must be cast in favour of the resolution to approve the Scheme.

If the Scheme is agreed to at the Scheme Meeting and becomes Effective, the Scheme will be binding on all Integrated Shareholders (including those who voted against the resolution to approve the Scheme or who did not vote at all).

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e) **Effective Date and Implementation Date**

Subject to satisfaction or, where applicable, waiver of the conditions precedent, the Scheme will become Effective on the Effective Date, which is currently expected to be 28 May 2007. This is the date on which, if the Court approves the Scheme, the Court order approving the Scheme will be lodged with ASIC.

Once the Scheme becomes Effective, Integrated and the Scheme Shareholders will be bound to implement the Scheme in accordance with the terms of the Scheme. The Scheme will be implemented on the Implementation Date, which is currently expected to be 7 June 2007.

In any event, no securities will be issued on the basis of this Scheme Booklet after the date which is 13 months after the date of this Scheme Booklet.

7.3 Conditions precedent to the Scheme

The obligations of Programmed and Integrated to complete the Merger are subject to a number of conditions precedent.

All of the conditions precedent (other than the conditions precedent relating to Court approval of the Scheme and lodgement of the Court's orders with ASIC) are required to be satisfied, or where applicable, waived, by 8.00am on the Second Court Date.

In summary, the conditions precedent are as follows:

- Integrated Shareholder approval;
- receipt of all required regulatory approvals and third party consents, approvals or waivers;
- no temporary restraining order, preliminary or permanent injunction or other order issued by any court or other legal restraint or prohibition preventing the Implementation of the Scheme;
- the Independent Expert concluding that the Scheme is in the best interests of Integrated Shareholders and the Independent Expert not changing that conclusion or withdrawing its report prior to 8.00am on the Second Court Date;
- the approval of the Scheme by the Court and the lodgement of the Court's orders with ASIC;
- ASX approving the New Programmed Shares for official quotation on ASX, conditional on Implementation of the Scheme;
- no "Prescribed Occurrences" or "Material Adverse Change" (each being defined in the Merger Implementation Agreement) occurring in relation to either Integrated or Programmed;
- the warranties given by Integrated and Programmed being and remaining materially true and correct;
- neither the Merger Implementation Agreement nor Deed Poll having been terminated; and
- such other conditions made or required by the Court under section 411(6) of the Corporations Act in relation to the Scheme having been satisfied.

7.4 Status of conditions precedent

Other than the conditions relating to Court approval (upon which Programmed and Integrated express no opinion), Programmed and Integrated are not aware of any reason why the conditions precedent will not be satisfied.

7.5 Scheme Consideration

Under the terms of the Scheme, Integrated Shareholders will receive a mix of cash and New Programmed Shares as consideration for the transfer of their Integrated Shares to Programmed. The number of New Programmed Shares to be issued as part of the Scheme Consideration is based on a formula agreed between Integrated and Programmed in the Merger Implementation Agreement.

On implementation of the Merger, Integrated Shareholders will receive:

- \$1.25 cash; and
- 0.26 New Programmed Shares,

for each Integrated Share held at the Record Date.

If the number of Integrated Shares you hold at the Record Date means that your aggregate entitlement to New Programmed Shares is not a whole number, then any fractional entitlement will be rounded up or down to the nearest whole number, with fractions of 0.5 or more to be rounded up. If Programmed reasonably believes that an Integrated Shareholder has been a party to a shareholding splitting or division in an attempt to obtain an advantage by reference to the rounding provided for in the calculation of each Scheme Shareholder's entitlement to the Scheme Consideration, then Programmed reserves the right to round the entitlement of such holdings so as to provide only the number of New Programmed Shares that would have been received but for the splitting or division.

If you are an Integrated Shareholder with a registered address outside Australia or New Zealand, the New Programmed Shares to which you would otherwise be entitled will not be issued to you, but will instead be sold and you will receive the net proceeds of sale. You should refer to section 7.6 (Shareholders outside Australia and New Zealand) for further details.

Integrated Shareholders registered as at 5.00pm on 4 April 2007 will be entitled to receive the Integrated Interim Dividend, being 5 cents per Integrated Share, payable on 11 April 2007. Those Integrated Shareholders will be entitled to the Integrated Interim Dividend regardless of whether the Scheme becomes Effective.

As holders of New Programmed Shares, Integrated Shareholders would also be entitled to receive any Programmed Final Dividend for the year ending 31 March 2007, provided that the Implementation Date occurs on or before the Programmed Record Date.

If Programmed declares the Programmed Final Dividend but the Scheme is not implemented until after the Programmed Record Date, then Scheme Shareholders will not be paid the Programmed Final Dividend, as they will not have been Programmed shareholders as at the Programmed Record Date. However, in these circumstances, Integrated will pay to Scheme Shareholders the Integrated Final Dividend.

7.6 Shareholders outside Australia and New Zealand

Programmed is not obliged to issue New Programmed Shares as consideration to any Foreign Holder (being an Integrated Shareholder whose address in the Integrated Share Register is in a jurisdiction other than Australia or its external territories or New Zealand), unless Programmed is satisfied that the laws of the Foreign Holder's country of residence (as shown in the Integrated Share Register) would permit the issue and allotment of New Programmed Shares to the Foreign Holder, either unconditionally or after compliance with conditions which Programmed in its sole discretion regards as acceptable and not unduly onerous.

The New Programmed Shares that would have been issued to these Ineligible Foreign Holders will be issued to the Sale Agent on the Implementation Date. Under the Scheme, Ineligible Foreign Holders appoint Integrated as their agent to receive any financial services guide or other notice given by the Sale Agent.

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Copies of any document Integrated receives from the Sale Agent as agent for the Ineligible Foreign Holders can be obtained by contacting the Integrated Company Secretary.

Programmed will:

- a) procure that, as soon as reasonably practicable (and in any event not more than 15 Business Days after the Implementation Date), the Sale Agent sells or procures the sale on ASX of all of the New Programmed Shares issued to the Sale Agent in such manner, at such price and on such other terms as the Sale Agent determines in good faith; and
- b) promptly pay to the Ineligible Foreign Holders their proportion of the net proceeds of sale received from the Sale Agent (after deduction of any applicable brokerage and other selling costs, taxes and charges).

Integrated, Programmed and the Sale Agent give no assurance as to the price that will be achieved for the sale of New Programmed Shares described above. The proceeds that Ineligible Foreign Holders will receive may be more or less than the current market value of Programmed Shares.

Integrated and Programmed currently expect that all Integrated Shareholders whose addresses in the Integrated Share Register are outside Australia or its external territories or New Zealand will be Ineligible Foreign Holders.

7.7 Interests in Integrated securities

The marketable securities of Integrated held by or on behalf of the Directors and key executive officers of Integrated or to which they are otherwise entitled as at the date of this Scheme Booklet are set out below. In aggregate, these interests represent approximately 11.7% of the Integrated Shares on issue.

Director/executive officer	Fully Paid Ordinary Shares
N. D. Hamilton	997,863
J. G. Whittle	7,056,371
T. J. Clohessy	113,689
V. A. Davies	40,000
M. A. Gurry	50,000
C. G. Sutherland	Nil
S. M. Leach	Nil

Integrated also has incentive plans in place which could lead to the issue of additional Integrated Shares (and in particular, 1,904,000 Integrated Shares to the Integrated Managing Director, Mr Chris Sutherland). These are discussed further at sections 7.9(b) and (c) below.

7.8 Interests in Programmed securities

As at the date of this Scheme Booklet:

- a) 5,000 Programmed Shares are held by or on behalf of N.D. Hamilton (a Director of Integrated); and
- b) other than as set out at (a) above, no marketable securities of Programmed are held by or on behalf of any of the Directors.

7.9 Agreements or arrangements with Integrated Directors and other executives

a) Agreements or arrangements with Integrated Directors

Except as set out in this Scheme Booklet, as at the date of this Scheme Booklet there are no agreements or arrangements made between any Director and any other person in connection with or conditional upon the outcome of the Scheme.

b) Integrated Senior Executive Incentivised Performance Plan

Integrated has adopted a Senior Executive Incentivised Performance Plan (**Performance Plan**) (the terms of which are set out in a policy statement adopted by the Integrated Board) with a view to providing a direct link between enhanced shareholder value and key employee remuneration and retention.

The Performance Plan rules allow Integrated to determine that certain employees are eligible to participate in the Performance Plan and, assuming certain conditions are met, allows the Integrated Board (in its absolute discretion) to issue an invitation to an eligible employee which will, upon the acceptance of the invitation (and upon payment of the exercise price specified in that invitation), result in an issue of Integrated Shares to that employee. The Integrated Board may notify an employee that they have become an eligible employee, and therefore may be issued an invitation in the future should the Integrated Board determine to issue such an invitation. The Performance Plan rules make it clear that, unless and until an invitation is issued by the Integrated Board, no binding legal relations or rights are created. No invitations have yet been issued by the Integrated Board.

A number of employees of the Integrated Group are participating in the Performance Plan in that they have received eligibility notices, and a maximum number of 153,818 Integrated Shares could be issued in relation to the performance period from 1 July 2004 to 30 June 2009, and a further 448,598 Integrated Shares in relation to the performance period from 1 July 2006 to 30 June 2007, if:

- the relevant employees were all to remain employed by the Integrated Group;
- performance hurdles relating to Integrated's total shareholder return were met;
- other conditions relevant to the Performance Plan were satisfied; and
- the Integrated Board determined to issue invitations to those employees under the Performance Plan.

The Performance Plan rules provide that, upon a change of control, the Integrated Board may determine the manner in which the Performance Plan rules are to be varied or otherwise dealt with to ensure that the Performance Plan applies in a consistent manner, including by arranging for any new holding company to adopt a policy statement along similar lines.

Integrated and Programmed have agreed, in the Merger Implementation Agreement, that Programmed will put in place, from the Implementation Date, a substitute long term incentive arrangement in which all current eligible employees under the Performance Plan will be eligible to participate, delivering to them similar opportunities and benefits as are currently available to them under the Performance Plan. Consequently, upon the Scheme becoming Effective, the Performance Plan will cease to operate and no invitations will be issued under it.

c) Arrangements with Integrated's Managing Director

On 16 December 2005, Integrated entered into an Executive Service Agreement with its then Chief Executive Officer, Mr Chris Sutherland. Pursuant to that agreement, Integrated also put in place a Long Term Incentive Plan for Mr Sutherland. Both of these documents have been released publicly on ASX (on 1 May 2006).

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The service agreement and Long Term Incentive Plan provide for the issue of up to a maximum of 2,000,000 Integrated Shares at no cost to the Managing Director. These shares are to be issued in various instalments between the third and sixth anniversaries of 1 February 2006, provided that:

- the Managing Director remains employed by Integrated;
- performance hurdles relating to total shareholder return are met; and
- other conditions contained in those documents are satisfied.

The Long Term Incentive Plan rules provide the Integrated Board with discretion in the event of a change of control to ensure the equity and integrity of the operation of the long term incentive arrangements. Integrated and Programmed have agreed in the Merger Implementation Agreement to apply these rules in the manner that would have been the case if the Merger had proceeded by way of a takeover bid by Programmed for all of the Integrated Shares. As a result (and having regard to the implied value of the Scheme Consideration and the Integrated Interim Dividend), if the Scheme becomes Effective, the Managing Director will be issued with 1,904,000 Integrated Shares pursuant to these incentive arrangements. The issue of these shares is conditional upon the Scheme becoming Effective and they will be issued on or after the Effective Date. Given that they will not be on issue at the date of the Scheme Meeting, they will not be voted by the Managing Director at that meeting. They will be issued before the Record Date for the Scheme, with the effect that the Managing Director will receive the same Scheme Consideration as would be received by other Scheme Shareholders in respect of each Scheme Share they hold. The Integrated Interim Dividend will not, however, be payable on any Integrated Shares to be issued to the Managing Director.

d) Other effects on material interests of directors

Other than as set out elsewhere in this Scheme Booklet, the Scheme will have no effect on the material interests of the Directors which is different from the effect on the like interests of other persons.

7.10 Other interests in Programmed

Except as disclosed in this Scheme Booklet, no Director nor any of his or her associates holds any interests in contracts of Programmed or has any other interests in Programmed.

7.11 Payments and benefits

As mentioned in section 4.3, Neil Hamilton and Jon Whittle will join the Board of Programmed (as non-executive directors) if the Scheme becomes Effective. As a result, Neil Hamilton and Jon Whittle are likely to receive benefits from Programmed (such as the payment of directors fees and directors and officers liability insurance premiums, as set out in section 3.9(b) of this Scheme Booklet under the heading "Remuneration") consistent with their appointment as non-executive directors of Programmed (and of the same type and quantum as are received by other non-executive directors of Programmed).

Except as disclosed in this Scheme Booklet, there are no payments or benefits proposed to be made or given in connection with the Merger to any director, secretary or executive officer of Integrated or any related body corporate of Integrated as compensation for the loss of, or as consideration for or in connection with his or her retirement from office.

7.12 Intentions of the Integrated Board

If the Merger becomes Effective, it is a matter for the reconstituted Programmed Board to determine its intentions as to:

- the continuation of the business of Integrated;
- any major changes to be made to the business of Integrated; and
- the future employment of the present employees of Integrated.

The current intentions of Programmed in relation to these matters are set out in section 4.5.

If the Merger does not become Effective, the current Integrated Board intends to continue the business of Integrated in accordance with its stated strategy. In this event, the Integrated Board does not presently intend to make any major changes to the business of Integrated, whether in respect of the redeployment of its assets or the future employment of the present employees of Integrated or otherwise.

7.13 Material changes in the financial position of Integrated

To the best of the knowledge of the Directors, and other than as disclosed in this Scheme Booklet (in particular, in section 2 (Profile of Integrated)), the financial position of Integrated has not materially changed since the date of the last balance sheet laid before the company in general meeting or sent to Integrated Shareholders in accordance with the Corporations Act.

Integrated's half year results to 31 December 2006 (announced on 27 February 2007) are available:

- from ASX or on its website www.asx.com.au; or
- on Integrated's website (www.intgroup.com.au).

7.14 Consents and disclaimers

The following persons have given and have not, before the time of lodgement of this Scheme Booklet with ASIC, withdrawn their written consent to be named in this Scheme Booklet in the form and context in which they are named:

- Programmed (in respect of the Programmed Information only) and to the inclusion of the Programmed Information in the form and context in which it is included;
- Caliburn Partnership Pty Ltd – as financial adviser to Integrated;
- Cochrane Lishman – as legal adviser to Integrated; and
- KPMG – as the Independent Expert and to the inclusion of the Independent Expert Report (and to all statements based on it, and references to it) in the form and context in which it is included.

Each of the above persons:

- does not make, or purport to make, any statement in this Scheme Booklet or any statement on which a statement in this Scheme Booklet is based other than, in the case of:
 - Programmed, the Programmed Information; and
 - KPMG, any statement or report included in this Scheme Booklet with the consent of that party; and
- to the maximum extent permitted by law, expressly disclaims and takes no responsibility for any part of this Scheme Booklet, other than a reference to its name and in the case of:

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- Programmed, the Programmed Information; and
- KPMG, any statement or report included in this Scheme Booklet with the consent of that party.

7.15 Fees and other interests

Calburn Partnership Pty Ltd is named in this Scheme Booklet as financial adviser to Integrated in relation to the Scheme. Calburn Partnership Pty Ltd has received or will receive professional fees of approximately \$2 million (plus GST and disbursements) for performing this function.

Cochrane Lishman is named in this Scheme Booklet as legal adviser to Integrated in relation to the Scheme. Cochrane Lishman has received or will receive legal fees of approximately \$300,000 (plus GST and disbursements) for performing this function.

KPMG is named in this Scheme Booklet as the Independent Expert in relation to the Scheme. KPMG has received or will receive professional fees of approximately \$180,000 (plus GST and disbursements) for performing this function. Entities associated with KPMG have also received professional fees for services rendered on other matters – these are set out in Appendix 1 to the Independent Expert Report (and include an amount of approximately \$15,000 received by the KPMG Partnership for taxation advice in connection with the Scheme Booklet).

Other than as set out in this Scheme Booklet:

- no director or proposed director of Programmed or Integrated; and
- no person named in this Scheme Booklet as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Scheme Booklet, holds, or held at any time during the last two years before the date of this Scheme Booklet, any interest in:
 - the formation or promotion of Programmed or Integrated;
 - any property acquired or proposed to be acquired by Programmed or Integrated in connection with its formation or promotion or in connection with the Scheme; or
 - the issue of Programmed securities or Integrated securities.

Other than as set out in this Scheme Booklet, no amounts have been paid or agreed to be paid and no value or other benefit has been given or agreed to be given to:

- a) a director or proposed director of Programmed or Integrated, to induce them to become, or to qualify as, a director of Programmed or Integrated; or
- b) any person named in this Scheme Booklet as performing a function in a professional, advisory or other capacity in connection with the preparation or distribution of this Scheme Booklet for services rendered by them in connection with the formation or promotion of Programmed or Integrated or in connection with the issue of Programmed or Integrated securities.

7.16 Other material information

Except as disclosed in this Scheme Booklet, there is no other material information that Integrated Shareholders would reasonably require to make a decision in relation to whether or not to vote in favour of the Scheme, being information that is within the knowledge of any Director, that has not previously been disclosed to Integrated Shareholders.

Section 8

Glossary



Section 8 – Glossary

In this Scheme Booklet (other than the Appendices), these meanings apply unless the contrary intention appears:

ASIC means the Australian Securities & Investments Commission.

ASX means ASX Limited or, as the context requires, the financial market operated by it.

Business Day has the meaning given in the Listing Rules.

CGT means capital gains tax

Corporations Act means the Corporations Act 2001 (Cwlth).

Court means the Federal Court of Australia.

Deed Poll means the deed poll dated 30 March 2007 executed by Programmed in favour of Scheme Shareholders.

Directors means the directors of Integrated.

EBITDA means earnings before interest, tax, depreciation and amortisation.

Effective means the coming into effect, under section 411(10) of the Corporations Act, of the orders of the Court made under section 411(4)(b) (and, if applicable, section 411(6)) in relation to the Scheme.

Effective Date means the date on which the Scheme becomes Effective.

Foreign Holder means a Scheme Shareholder whose address as shown in the Integrated Share Register at the Record Date is in a jurisdiction other than Australia or its external territories or New Zealand.

GST means the goods and services tax as defined in the A New Tax System (Goods and Services Tax) Act 1999 (Cwlth) or any like tax.

Implementation means the implementation of the Scheme, upon it becoming Effective.

Implementation Date means the third Business Day after the Record Date.

Independent Expert or **KPMG** means KPMG Corporate Finance (Aust) Pty Ltd.

Independent Expert Report means the report prepared by the Independent Expert which is set out in Appendix 1 (Independent Expert Report).

Ineligible Foreign Holder means a Foreign Holder, other than one in respect of whom Programmed is satisfied that the laws of the Foreign Holder's country of residence (as shown in the Integrated Share Register) would permit the issue and allotment of New Programmed Shares to the Foreign Holder, either unconditionally or after compliance with conditions which Programmed in its sole discretion regards as acceptable and not unduly onerous.

Integrated Board means the board of directors of Integrated.

Integrated Final Dividend means any final dividend declared by Integrated in respect of the financial year ending 30 June 2007, which:

- a) is declared by Integrated prior to the Implementation Date;
- b) is to be paid in cash in respect of each Scheme Share on issue at the Record Date;

- c) shall, per Scheme Share, be an amount equal to 0.26 multiplied by the Programmed Final Dividend or, if that aggregate amount could not be paid by Integrated consistently with the Corporations Act, such lesser amount per Integrated Share as determined by Integrated which could be paid consistently with the Corporations Act; and
- d) is to be paid after the Record Date and, where possible, no later than the Implementation Date, and which may only be declared if the Programmed Record Date is prior to the Implementation Date.

Integrated Group means Integrated and its Subsidiaries.

Integrated Information means the information in this Scheme Booklet, other than the Programmed Information and Appendix 1 (Independent Expert Report).

Integrated Interim Dividend means the interim dividend of 5 cents per Integrated Share declared by Integrated in respect of the 6 month period to 31 December 2006 and payable on 11 April 2007.

Integrated Share means a fully paid ordinary share in the capital of Integrated.

Integrated Shareholder means a person who is entered in the Integrated Share Register as a holder of Integrated Shares.

Integrated Share Register means the register of members of Integrated maintained by Computershare Investor Services Pty Limited and Integrated Share Registry has a corresponding meaning.

Listing Rules means the official listing rules of ASX.

Long Term Incentive Plan means the long term incentive plan described in section 7.9(c) (Arrangements with Integrated's Managing Director).

Merged Group means Programmed and its Subsidiaries (including Integrated) following the Implementation Date.

Merger means the acquisition by Programmed of all the Scheme Shares through the Implementation of the Scheme together with the treatment of certain employee incentive performance rights in accordance with clause 4 of the Merger Implementation Agreement.

Merger Implementation Agreement means the Merger Implementation Agreement between Integrated and Programmed dated 12 February 2007, a copy of which is set out in Appendix 2.

New Programmed Shares means the Programmed Shares to be issued to, or in respect of, Scheme Shareholders in consideration for the transfer of their Scheme Shares pursuant to the Scheme.

NPAT means net profit after tax.

Performance Plan means the Integrated Group Limited Senior Executive Incentivised Performance Plan established by the Integrated Board and set out in a Board Policy Statement for the issue of invitations to acquire performance shares (referred to in section 7.9(b)).

Programmed Board means the board of directors of Programmed.

Programmed Final Dividend means any final dividend declared by Programmed in respect of the financial year ending 31 March 2007.

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Programmed Group means Programmed and its Subsidiaries as at the date of this Scheme Booklet.

Programmed Information means the information in the Letter from the Chairman of Programmed, in section 3 (Profile of Programmed), and in sections 4 (Profile of the Merged Group) and 5 (Risk factors) to the extent those sections relate to Programmed or the Merged Group and do not rely upon information provided by Integrated.

Programmed Record Date means the date set by Programmed for determining the entitlement of the holders of Programmed Shares to receive the Programmed Final Dividend.

Programmed Share means a fully paid ordinary share in the capital of Programmed.

Record Date means 5.00pm on the date which is the fifth Business Day after the Effective Date or any other date agreed by Programmed and Integrated to be the record date to determine entitlements to receive Scheme Consideration under the Scheme.

Related Body Corporate has the meaning it has in the Corporations Act.

Sale Agent means such person nominated by Programmed and approved by Integrated, who will be appointed to sell the New Programmed Shares that are attributable to Ineligible Foreign Holders under the terms of the Scheme or any nominee of such person.

Scheme means the scheme of arrangement under Part 5.1 of the Corporations Act to be proposed between Integrated and the Integrated Shareholders, as set out in Appendix 3 (Scheme of Arrangement), subject to any modifications or conditions made or required by the Court under section 411(6) of the Corporations Act.

Scheme Booklet means this booklet containing information about the Scheme.

Scheme Consideration means the consideration to be provided under the Scheme to Scheme Shareholders for the transfer to Programmed of their Scheme Shares, ascertained in accordance with section 7.5.

Scheme Meeting means the meeting of Integrated Shareholders, to be convened pursuant to a Court order under section 411(1) of the Corporations Act, to consider the Scheme.

Scheme Meeting Date means the date of the Scheme Meeting.

Scheme Share means an Integrated Share on issue at the Record Date.

Scheme Shareholder means each person who is registered in the Integrated Share Register as the holder of Scheme Shares as at the Record Date.

Second Court Date means the first day on which the Court hears the application for an order approving the Scheme under section 411(4)(b) of the Corporations Act or, if the application is adjourned or subject to appeal for any reason, the first day on which the adjourned or appealed application is heard.

Subsidiary of an entity means another entity which is a subsidiary of the first within the meaning of Part 1.2 Division 6 of the Corporations Act, or is a subsidiary or otherwise controlled by the first within the meaning of any approved accounting standard.

Sunset Date means 12 June 2007 (or such other date as agreed by Integrated and Programmed).

VWAP means volume weighted average price.