

KLM GROUP DIRECTORS RECOMMEND ACCEPTANCE OF PROGRAMMED GROUP OFFER TO EXPIRE ON 20 JANUARY 2010

12 January 2010

The Directors of KLM Group have been notified by Programmed Maintenance Services Limited (Programmed Group) that its Offer is:

- Final at 47 cents cash;
- No extension of the Offer period beyond Wednesday 20th January 2010;
- Offer remains subject to 90% minimum acceptance condition.

As at 12th January 2010 Programmed Group is entitled to 80% of KLM Group including the acceptance of all KLM Directors.

Unless acceptances reach the minimum required level of 90% prior to close of the Offer, the Offer will fail.

The Board of KLM Group has not received any superior proposals from other parties since the Programmed Group Offer was made on 29 October 2009.

Shareholders are reminded of the KLM Group Board's unanimous recommendation that they accept the Offer.

The KLM Group Directors encourage shareholders that intend to accept the Programmed Group Offer, to do so without delay.

Should KLM shareholders have any queries regarding the Offer or require assistance with their acceptances please contact KLM Group's Company Secretary, Mr. Gary Beaton on 03-9320 3444.

For and on Behalf of KLM Group Limited



Rod Chadwick

Chairman