

McMILLAN SHAKESPEARE LIMITED
AGM CHAIRMAN'S ADDRESS
16 OCTOBER 2007

I am pleased to report that your Company, McMillan Shakespeare Limited, delivered a net profit of \$13.2 million for the financial year ended 30 June 2007. Revenue from activities grew strongly to \$54.5 million. Dividends declared out of the FY07 profit amounted to a total of 12.5 cents per share, an increase of 31% on the previous year.

The Company recorded a strong cashflow resulting in a net cash position of \$9.7 million at 30 June 2007, having made net debt repayments of \$3.3 million. It should be noted that, subsequent to balance date, the Company has paid the final instalment of \$1.2 million due to the vendors of Remuneration Services (Qld) Pty Ltd.

During the year, the Company strengthened its market position by retaining long term contracts with both the Western Australian and New South Wales Governments.

The Company continues to position itself for future growth from its core business activities and from the development of new products and services. The recent transition of our card customers to Visa is a good example of continuous improvement initiatives. Also, an enhancement of the sales and marketing team was initiated during the year.

Your Board continues to explore opportunities for acquisitions, joint ventures or similar relationships that provide strategic, operational and leveraging opportunities.

I again stress that in the service industry in particular, a business is only as good as its people and I am pleased to record and acknowledge the dedication, commitment and very hard work of our management and staff.

I now ask Anthony Podesta, Chief Executive Officer, to provide you with more information about the Company's performance.