

GARRATT'S LIMITED

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6 November 2009

Company Announcements Office
Australian Stock Exchange
Level 4
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Via ASX Online

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ANNOUNCEMENT

ANNUAL GENERAL MEETING: CHAIRMAN'S ADDRESS

In accordance with ASX Listing Rule 3.13.3, we attach a copy of the Chairman's Address to shareholders at the Annual General Meeting of Garratt's Limited to be held today at 11.30am

Stephanie Noble
Company Secretary

CHAIRMAN'S ADDRESS TO SHAREHOLDERS

101st Annual General Meeting 6 November 2009

Good morning. Welcome to the one hundred and first Annual General Meeting of Garratt's Limited.

It is pleasing to note that our Company recorded a strong set of results in the first year into its second centenary of operations. As described in the Annual Report which was sent to all shareholders, consolidated profit before tax from operations was \$2,436,091, an increase of 2.9% over the prior year's performance. This is a commendable result in what was a very difficult year for most individuals, businesses and governments, around the world.

Your Board is satisfied with the Company's performance for the July to September 2009 quarter. While there are signs that the wide range of problems arising from the global financial crisis may have eased, we must not let down our guard. In my address last year I mentioned the steep depreciation of the Australian dollar as a challenge. Now we have the reverse to contend with: a sharp appreciation in the Australian dollar. We are confident that we are well positioned to identify and address such challenges as they arise.

Since the release of the Annual Report, our Company has taken significant steps in its objective to grow the education business. Last month, we announced the acquisition of a 75% stake in an education institution in Singapore. That exercise will put us in a very good position to expand further into the many countries that are closer to Singapore than to Australia. We intend to bring our education programmes to Singapore. Looking interstate, we now have authority to operate in the vocational and English language sector in Barton, in the Australian Capital Territory.

Also in October, we contracted to lease 1,400 sqm of additional space in Pitt Street within a short walking distance of our present education operations in George Street, which will enable us to increase our student numbers substantially. We now have a total of about 3,500 sqm of space in the Sydney CBD.

The total dividend paid in respect to the year ended 30 June 2009 was three cents per share, reflecting a 50% payout on the pre-tax earnings of six cents per share. This payout ratio takes into account the small size of the Company and the objective to conserve our resources for expansion.

I would like to take this opportunity to thank all our stakeholders, especially shareholders and staff, for their support during the year.

Thank you.

Neville Thomas Cleary