McMillan Shakespeare

Benefit From Our Experience

Proxy Form

McMillan Shakespeare Limited

ABN 74 107 233 983

Mark this box with an 'X' if you have made any changes to your address details (see reverse)

All correspondence to:
Computershare Investor Services Pty Limited
GPO Box 242 Melbourne
Victoria 3001 Australia
Enquiries (within Australia) 1300 850 505
(outside Australia) 61 3 9415 4000
Facsimile 61 3 9473 2555
www.computershare.com

000001
000
MMS
MR JOHN SMITH 1
FLAT 123
123 SAMPLE STREET
THE SAMPLE HILL
SAMPLE ESTATE
SAMPLEVILLE VIC 3030

Securityholder Reference Number (SRN)

I 1234567890 IND

Appointment of Proxy

I/We being a member/s of McMillan Shakespeare Limited and entitled to attend and vote hereby appoint

the Chairman of the Meeting (mark with an 'X') **OR**

If you are not appointing the Chairman of the Meeting as your proxy please write here the full name of the individual or body corporate (excluding the registered Securityholder) you are appointing as your proxy.

or failing the individual or body corporate named, or if no individual or body corporate is named, the Chairman of the Meeting, as my/our proxy to act generally at the meeting on my/our behalf and to vote in accordance with the following directions (or if no directions have been given, as the proxy sees fit) at the Annual General Meeting of McMillan Shakespeare Limited to be held at Level 4, 321 Exhibition Street, Melbourne VIC 3000 on Thursday, 26th October 2006 at 10.00am and at any adjournment of that meeting.

IMPORTANT: FOR ITEM 5 BELOW

If the Chairman of the Meeting is your nominated proxy, or may be appointed by default, and you have not directed your proxy how to vote on Item 5 below, please place a mark in this box. By marking this box you acknowledge that the Chairman of the Meeting may exercise your proxy even if he has an interest in the outcome of that Item and that votes cast by him, other than as proxy holder, would be disregarded because of that interest. If you do not mark this box, and you have not directed your proxy how to vote, the Chairman of the Meeting will not cast your votes on Item 5 and your votes will not be counted in computing the required majority if a poll is called on this Item. The Chairman of the Meeting intends to vote undirected proxies in favour of Item 5.

Voting directions to your proxy - please mark X to indicate your directions

		For	Against	Abstain*
Item 2	To adopt the Remuneration Report for the financial year ended 30 June 2006			
Item 3	Re-election of Mr John Bennetts as a Director			
Item 4	Re-election of Mr Graeme McMahon as a Director			
Item 5	Renewal of Approval of the McMillan Shakespeare Limited Employee Option Plan			

In addition to the intention advised above, the Chairman of the Meeting intends to vote undirected proxies in favour of each of the other items of business.

* If you mark the Abstain box for a particular item, you are directing your proxy not to vote on your behalf on a show of hands or on a poll and your votes will not be counted in computing the required majority on a poll.

Appointing a second Proxy

I/We wish to appoint a second proxy

Mark with an 'X' if you wish to appoint a second proxy. **AND** % **OR**

State the percentage of your voting rights or the number of securities for this Proxy Form.

PLEASE SIGN HERE

This section *must* be signed in accordance with the instructions overleaf to enable your directions to be implemented.

Individual or Securityholder 1	Securityholder 2	Securityholder 3
Individual/Sole Director and Sole Company Secretary	Director	Director/Company Secretary

In addition to signing the Proxy form in the above box(es) please provide the information below in case we need to contact you.

Contact Name | Contact Daytime Telephone | Date / /

MMS 5PR

MMS_WIP_142917/000001/000001

How to complete the Proxy Form

1 Your Address
This is your address as it appears on the company's share register. If this information is incorrect, please mark the box and make the correction on the form. Securityholders sponsored by a broker (in which case your reference number overleaf will commence with an 'x') should advise your broker of any changes. **Please note, you cannot change ownership of your securities using this form.**

2 Appointment of a Proxy
If you wish to appoint the Chairman of the Meeting as your proxy, mark the box. If the individual or body corporate you wish to appoint as your proxy is someone other than the Chairman of the Meeting please write the full name of that individual or body corporate in the space provided. If you leave this section blank, or your named proxy does not attend the meeting, the Chairman of the Meeting will be your proxy. A proxy need not be a securityholder of the company. Do not write the name of the issuer company or the registered securityholder in the space.

3 Votes on Items of Business
You may direct your proxy how to vote by placing a mark in one of the three boxes opposite each item of business. All your securities will be voted in accordance with such a direction unless you indicate only a portion of voting rights are to be voted on any item by inserting the percentage or number of securities you wish to vote in the appropriate box or boxes. If you do not mark any of the boxes on a given item, your proxy may vote as he or she chooses. If you mark more than one box on an item your vote on that item will be invalid.

4 Appointment of a Second Proxy
You are entitled to appoint up to two proxies to attend the meeting and vote on a poll. If you wish to appoint a second proxy, an additional Proxy Form may be obtained by telephoning the company's share registry or you may copy this form.

To appoint a second proxy you must:

(a) indicate that you wish to appoint a second proxy by marking the box.

(b) on each of the first Proxy Form and the second Proxy Form state the percentage of your voting rights or number of securities applicable to that form. If the appointments do not specify the percentage or number of votes that each proxy may exercise, each proxy may exercise half your votes. Fractions of votes will be disregarded.

(c) return both forms together in the same envelope.

5 Signing Instructions
You must sign this form as follows in the spaces provided:

Individual:	where the holding is in one name, the holder must sign.
Joint Holding:	where the holding is in more than one name, all of the securityholders should sign.
Power of Attorney:	to sign under Power of Attorney, you must have already lodged this document with the registry. If you have not previously lodged this document for notation, please attach a certified photocopy of the Power of Attorney to this form when you return it.
Companies:	where the company has a Sole Director who is also the Sole Company Secretary, this form must be signed by that person. If the company (pursuant to section 204A of the Corporations Act 2001) does not have a Company Secretary, a Sole Director can also sign alone. Otherwise this form must be signed by a Director jointly with either another Director or a Company Secretary. Please indicate the office held by signing in the appropriate place.

If a representative of a corporate Securityholder or proxy is to attend the meeting the appropriate "Certificate of Appointment of Corporate Representative" should be produced prior to admission. A form of the certificate may be obtained from the company's share registry or at **www.computershare.com**.

Lodgement of a Proxy
This Proxy Form (and any Power of Attorney under which it is signed) must be received at an address given below no later than 48 hours before the commencement of the meeting at 10.00am on Thursday, 26th October 2006. Any Proxy Form received after that time will not be valid for the scheduled meeting.

Documents may be lodged using the reply paid envelope or:

IN PERSON	Registered Office - Locked Bag 18, Collins Street East, MELBOURNE VIC 8003 AUSTRALIA Share Registry - Computershare Investor Services Pty Limited, Yarra Falls, 452 Johnston Street, Abbotsford VIC 3067 Australia
BY MAIL	Registered Office - Locked Bag 18, Collins Street East, MELBOURNE VIC 8003 AUSTRALIA Share Registry - Computershare Investor Services Pty Limited, GPO Box 242, Melbourne VIC 3001 Australia
BY FAX	61 3 9473 2555

20 September 2006

Dear Shareholder

McMILLAN SHAKESPEARE LIMITED
ANNUAL GENERAL MEETING

The 2006 Annual General Meeting of McMillan Shakespeare Limited is to be held on Level 4, 321 Exhibition Street, Melbourne, Victoria, Australia on Thursday, 26 October 2006 at 10.00am (Australian Eastern Standard Time).

Please find enclosed the Notice of Meeting, Explanatory Notes and Proxy Form for your information.

At the meeting, the Chief Executive Officer and I will comment briefly on the Company's performance for the financial year ended 30 June 2006. The items of business set out in the Notice of Meeting will then be transacted. Please also refer to the enclosed 2006 Annual Report for further information.

I invite you to join the Board members for light refreshments at the conclusion of the meeting.

If you plan to attend the meeting in person, please bring your Proxy Form to facilitate your registration. If you are not able to attend the meeting in person, please complete and return the enclosed Proxy Form back to us. The instructions for voting by proxy or in person are set out in the Information for Shareholders section on page 2 of the Notice of Meeting.

I look forward to seeing you at the meeting.

Yours sincerely

Ronald Pitcher
Chairman

Encls

Notice of Annual General Meeting

Notice is given that the Annual General Meeting of McMillan Shakespeare Limited (A.C.N. 107 233 983) will be held on Level 4, 321 Exhibition Street, Melbourne, Victoria, Australia on Thursday, 26 October 2006 at 10:00am (Australian Eastern Standard Time).

The Explanatory Memorandum that accompanies and forms part of this Notice describes in more detail the matters to be considered. Please ensure that you read the Explanatory Memorandum in full.

Ordinary Business

1. **Financial Reports**

   To receive and consider the Financial Report, the Directors' Report and the Independent Auditor Report for the financial year ended 30 June 2006.

2. **Remuneration Report**

   To adopt the Remuneration Report for the financial year ended 30 June 2006.

   Please note that the vote on this resolution is advisory only and does not bind the Directors or the Company.

3. **Re-election of Mr John Bennetts as a Director**

   To consider and, if thought fit, pass the following as an ordinary resolution:

   That Mr Bennetts who retires pursuant to clause 20.3 of the Constitution of the Company and who, being eligible, offers himself for re-election, be re-elected as a director of the Company.

4. **Re-election of Mr Graeme McMahon as a Director**

   To consider and, if thought fit, pass the following as an ordinary resolution:

   That Mr McMahon who retires pursuant to clause 20.3 of the Constitution of the Company and who, being eligible, offers himself for re-election, be re-elected as a director of the Company.

Special Business

5. **Renewal of Approval of McMillan Shakespeare Limited Employee Option Plan**

   To consider and, if thought fit, to pass the following as an ordinary resolution:

   That for the purposes of ASX Listing Rule 7.2, Exception 9(b), and for all other purposes, the Shareholders approve the issue of securities by the Company under the 'McMillan Shakespeare Limited Employee Option Plan' as an exception to ASX Listing Rule 7.1.

Voting Exclusion Statement

The Company will disregard any votes cast on item 5 by any Director or any of his associates. The Company need not, however, disregard a vote if:

(a) it is cast by a person as proxy for a person who is entitled to vote, in accordance with the directions on the proxy form; or

(b) it is cast by the person chairing the meeting, as proxy for a person who is entitled to vote, in accordance with the direction on the proxy form to vote as the proxy decides.

By Order of the Board

Paul McCluskey
Company Secretary
Melbourne, 20 September 2006

Information for Shareholders

1. Entitlement to attend and vote

For the purposes of Regulation 7.11.37 of the *Corporations Regulations 2001*, the Directors have determined that the voting entitlements for the purposes of the Meeting will be based on the registered holdings as at 7:00pm (Australian Eastern Standard Time) on Tuesday, 24 October 2006.

You may vote by attending the Meeting in person, by proxy, attorney or authorised representative.

2. Voting by Proxy

Each Shareholder has a right to appoint a proxy.

A proxy form and a reply paid envelope have been enclosed for Shareholders with this Notice. If an additional proxy form is required, the Company's share registry, Computershare Investor Services Pty Limited, will supply it on request (Telephone: +61 3 9415 4000).

A proxy need not be a Shareholder.

A Shareholder, who is entitled to cast 2 or more votes, may appoint 2 proxies and may specify the proportion or number of votes each proxy is appointed to exercise. If no such proportion or number is specified, each proxy may exercise half of your votes. Fractions of votes will be disregarded.

Proxies given by corporate Shareholders must be executed in accordance with their constitutions or under the hand of a duly authorised officer or attorney.

To be effective, the Company must receive the completed proxy form and, if the form is signed by the Shareholder's attorney, the authority under which the proxy form is signed (or a certified copy of the authority), by no later than 10:00am (Australian Eastern Standard Time) on 24 October 2006:

- at its registered office at Level 4, 321 Exhibition Street, Melbourne, Victoria, Australia 3000;
- by facsimile to its registered office on fax number +61 3 9635 0060; or
- at its share registry, Computershare Investor Services Pty Limited, GPO Box 242, Melbourne, Victoria, Australia 3001 or by facsimile on fax number +61 3 9473 2555.

Any revocations of proxies must be received at one of these places before the commencement of the Meeting, or at the registration desk for the Meeting at Level 4, 321 Exhibition Street, Melbourne, Victoria, Australia from 9.30am on the day of the Meeting.

For more information concerning the appointment of proxies, please refer to the reverse side of the enclosed proxy form.

3. Voting in person

Shareholders, or their attorneys, who plan to attend the meeting are asked to arrive at the venue 30 minutes prior to the time designated for the meeting, if possible, so that their holding may be checked against the share register and attendances recorded. Attorneys should bring with them an original or certified copy of the power of attorney under which they have been authorised to attend and vote at the meeting.

A corporation, which is a shareholder, may appoint an individual to act as its representative and to vote in person at the meeting. The appointment must comply with the requirements of section 250D of the Corporations Act. The representative should bring to the Meeting evidence of his or her appointment, including any authority under which it is signed, unless previously given to the Company's share registry.

4. Voting Intentions

The Chairman intends to vote in favour of all resolutions on the agenda in respect of undirected proxy votes where the Chairman is appointed as proxy.

5. Definitions

Words that are defined in the Glossary have the same meaning when used in this Notice unless the context requires, or the definitions in the Glossary provide, otherwise.

Explanatory Notes on the Items of Business

Item 1: Financial Reports

Pursuant to section 317 of the Corporations Act, the Financial Report, Directors' Report and Auditor's Report of the Company for the financial year to 30 June 2006 will be laid before the Meeting. There is no requirement for a formal resolution on this item of business. However, the Shareholders will be given the opportunity to raise questions or comments on the Reports at the Meeting.

Item 2: Remuneration Report

Pursuant to section 250R of the Corporations Act, a resolution must be put to the Shareholders that the Remuneration Report be adopted. The vote on this resolution is advisory only and does not bind the Directors or the Company. However, the Board will take the outcome of the vote into consideration when reviewing the remuneration practices and policies of the Company.

The Remuneration Report is set out on pages 5 to 9 of the Company's 2006 Annual Report. The Remuneration Report:

- explains the Board's policies in relation to the nature and level of remuneration paid to Directors, the company secretary and group executives;
- discusses the link between the Board's policies and the Company's performance;
- provides a summary of performance conditions, explaining why they were chosen and how performance is measured against them;
- sets out remuneration details for each Director and group executive; and
- makes clear that the basis of remunerating non-executive Directors is distinct from the basis for remunerating group executives, including the Chief Executive Officer.

A reasonable opportunity will be provided to the members for discussion of the Remuneration Report at the Meeting.

Item 3: Re-election of Director retiring by rotation under the Constitution of the Company

John Bennetts *B Ec, LLB*
Non-Executive Director since December 2003
Member of the Audit & Risk Management Committee
Member of the Nomination & Remuneration Committee

Pursuant to clause 20.3 of the Constitution of the Company relating to the retirement of directors, Mr Bennetts will retire by rotation at the Meeting and will offer himself for re-election.

Mr Bennetts is a principal and founder of the private equity group, Mooroolbark Investments Pty Limited. He is also a founder and director of Cellestis Limited (since 2001) (a position that he holds along with another Director, Mr Ronald Pitcher) and is a director of various companies within the IC Frith Group (a position that he holds along with another Director, Mr Ross Chessari). He is also a director of Asia Pac Consulting Pty Limited, which provides legal advice and corporate advisory services to a range of companies in Australia and Asia. Prior to the establishment of the Mooroolbark Group, he was Group Legal Counsel and Company Secretary of Datacraft Limited. Before joining Datacraft Limited, he practiced as a solicitor.

Mr Bennetts, through a controlled entity, owns approximately 8% of issued capital in the Company.

Item 4: Re-election of Director retiring by rotation under the Constitution of the Company

Graeme McMahon *FCPA, FAIM, FRAI, FCIT*
Independent Non-Executive Director since March 2004
Member of the Audit & Risk Management Committee
Member of the Nomination & Remuneration Committee

Pursuant to clause 20.3 of the Constitution of the Company relating to the retirement of directors, Mr McMahon will retire by rotation at the Meeting and will offer himself for re-election.

Mr Graeme McMahon is a director of SSSR Holdings Pty Limited and Expo Hire (Aust.) Pty Limited. He is also a member of the Queensland Australian Football League Commission. Until recently, Mr McMahon served as a Member of Council at La Trobe University and, upon completion of his 5 year term, was appointed as an Adjunct Professor. Mr McMahon was the Chairman of the Essendon Football Club, a position that he held for 7 years and the Managing Director and Chief Executive Officer of Ansett Australia Group until 1996. He is a Fellow of the CPA of Australia, a Fellow of the Royal Aeronautical Society and a Fellow of the Chartered Institute of Logistics and Transport.

Under ASX guidelines, Mr McMahon is considered to be independent.

Item 5: Renewal of Approval of Employee Incentive Option Plan

The Company implemented the Option Plan in March 2004, pursuant to which it has issued Options to eligible employees in order to provide them with an incentive to perform. A summary of the terms of the Option Plan is annexed to this Explanatory Memorandum.

Listing Rules 7.1 prohibits the Company from issuing more than 15% of the issued capital of the Company in any 12 month period without Shareholder approval unless the issue is within certain exceptions set out in Listing Rule 7.2. Under Exception 9(b) of Listing Rule 7.2, an issue of securities under an employee incentive scheme is an exception to Listing Rule 7.1 if within three years before the date of issue, shareholders have approved the issue of securities as an exception to Listing Rule 7.1.

Accordingly, Shareholder approval is sought for the issue of the Options to eligible employees of the Company (and Shares issued upon exercise of those Options) for the purposes of Exception 9(b) of Listing Rule 7.2. If approval is given, securities issued under the Option Plan will be exempt from counting towards the 15% of the issued capital of the Company that can be issued in any 12 month period without Shareholder approval under Listing Rule 7.1.

Since the date of the Company's listing on the ASX, 1,845,000 Options have been issued under the Option Plan and 258,519 Shares have been issued as a result of the exercise of those Options. 683,430 Shares were also issued under the Employee Share Plan upon the Company's listing on the ASX. Other than the Option Plan, the Company does not currently have any other employee equity incentive schemes and has not made any issues to a Director under the Option Plan.

Glossary

In this Notice and Explanatory Memorandum:

ASX means Australian Stock Exchange Limited;

Board means the board of directors of the Company;

Company means McMillan Shakespeare Limited;

Corporations Act means *Corporations Act 2001*;

Directors mean the directors of the Company and **Director** means any of them;

Explanatory Memorandum means the explanatory memorandum that accompanies, and is incorporated as part of, this Notice;

Glossary means this glossary;

Listing Rules means the listing rules of the ASX;

Meeting means the general meeting of the members of the Company convened by this Notice;

Notice means this Notice of General Meeting;

Option Plan means the McMillan Shakespeare Limited Employee Option Plan;

Options mean options to acquire Shares;

Quotation means official quotation by the ASX;

Shareholders means the holders of shares in the Company; and

Shares means fully paid ordinary shares in the capital of the Company.

Attachment

The terms and conditions of the Option Plan are summarised below. The summary is not a complete description of the terms of the Option Plan. A copy of the Option Plan may be inspected at the registered office of the Company during normal business hours by prior appointment.

Eligibility

Under the Option Plan, the Board may offer options to full or part time employees, officers (including Directors) and, should the Board resolve, consultants and contractors of the Company (or any of its related bodies corporate).

Grant of Options

Options may be granted free of charge to eligible persons in accordance with the ASX Listing Rules. The Company will not apply for Quotation of any Options issued under the Option Plan.

Limit on Offers

An offer must not be made under the Option Plan if:

- the number of Options on offer; plus
- the total number of Shares that would have been issued under all outstanding Options that have not been terminated, exercised or expired; plus
- the total number of Shares issued during the previous 5 years pursuant to the Option Plan or any employee share plan; but
- disregarding offers made under a disclosure document, offers made outside Australia and offers that do not require disclosure,

would exceed 5% of the total number of Shares on issue at the time the offer was made.

Exercise Period

Subject to the satisfaction of any applicable exercise conditions before Options can be exercised, Options are exercisable during the Option exercise period specified by the Board at the time of issuing the Options.

Exercise of Options

Options are exercisable by paying the exercise price for the Options exercised. The exercise price is determined by the Board. Each option entitles the holder to subscribe for one Share. The Shares allotted upon exercise of the Options rank equally in all respects with all other Shares. The Company will apply for Quotation of those Shares after they are issued.

New Issues of Securities

An option holder will not be entitled to participate in new issues of Shares or other securities made by the Company to the Shareholders unless the Options are exercised before the record date for determining entitlements to the issue.

Capital Reorganisations

If there is a reorganisation of the capital of the Company, the number of Options and/or the exercise price of the Options will be correspondingly reorganised in a manner that is necessary to comply with the ASX Listing Rules in force at the relevant time.

Assignment

Options may only be assigned with the prior approval of the Board.