



PROGRAMMED MAINTENANCE SERVICES LIMITED

Presented by
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Macquarie Research Equities
EMERGING LEADERS CONFERENCE 2002



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SERVICES
LIMITED**

Agenda

- Company Profile
- Group Structure & Locations
- Core Strengths
- Long-Term Maintenance Programs
- Broad Customer Base
- United Kingdom Operations
- Future Outlook



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Company Profile

- The business was founded in 1951
- Floated on the ASX on 1st October 1999
- Largest contract painting business in Australia & NZ, with a growing contract painting business in the UK
- One of Australia's largest grounds maintenance businesses with over 200 employees
- An integrated Building Services business, maintaining a range of property assets
- Industrial services business providing industrial and underground asset maintenance services
- Currently maintain 60,000 buildings and structures for over 4,500 customers, throughout Australia, NZ and the UK
- Branch office network in Australia (30), NZ (12) and UK (5)
- Over 1,500 employees

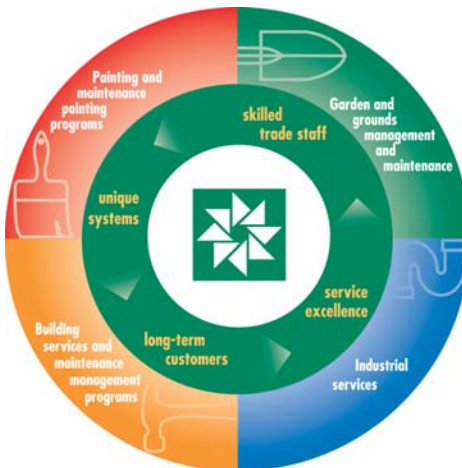
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Company Profile . . .

An integrated range of property maintenance services . . .



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Company Profile . . . Painting Divisions

The Painting Divisions operate from 31 branches in Australia, 12 branches in New Zealand and 5 branches in the United Kingdom.

Painting
Maintenance
& Painting
Programs

Comprehensive range of maintenance painting services:-

- interior and exterior painting programs
- specialised surface preparation
- heavy-duty protective coatings
- graffiti removal
- signwriting
- corporate re-identification

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Company Profile . . . Grounds Management

Specialist grounds improvement and maintenance programs, with key services:-

Gardens and
Grounds
Management &
Maintenance

- grounds maintenance
- landscaping
- garden development
- herbicide programs
- arboriculture
- irrigation

Operations are focused in Victoria,
New South Wales & South Australia

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Company Profile . . . **Building Services**

Management programs for both planned and reactive building maintenance, including:-

Building
Services &
Maintenance
Management
Programs

- compliance with essential services and OH&S regulations
- 24-hour maintenance support systems, covering carpentry, electrical, plumbing and painting services
- maintenance of high-value plant & equipment

Operations are focused in Victoria, New South Wales & South Australia

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Company Profile . . . **Industrial Services**

Industrial Services trades as Barry Bros. Specialised Services, and provides industrial and underground asset maintenance services:-

Industrial
Services

- sewerage and drainage management
- domestic drain maintenance
- vacuum loading
- high pressure cleaning
- drain maintenance
- non-destructive digging

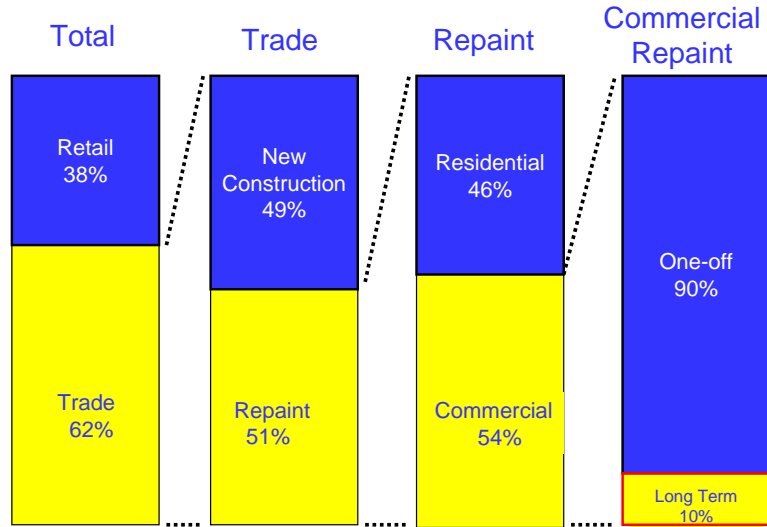
Industrial Services has nine branches across Victoria, New South Wales & Queensland

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Company Profile . . . Australian Paint Market



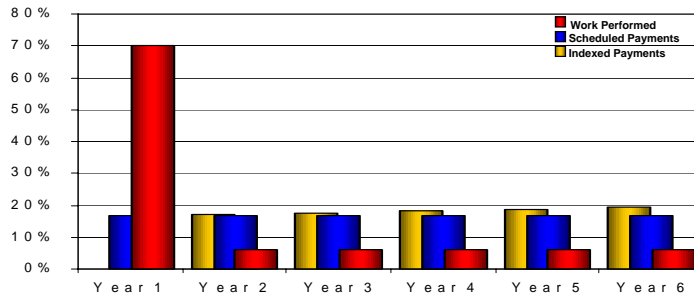
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Our Business is based on . . . Long Term Maintenance Programs

Our business model is based on maintenance painting programs:



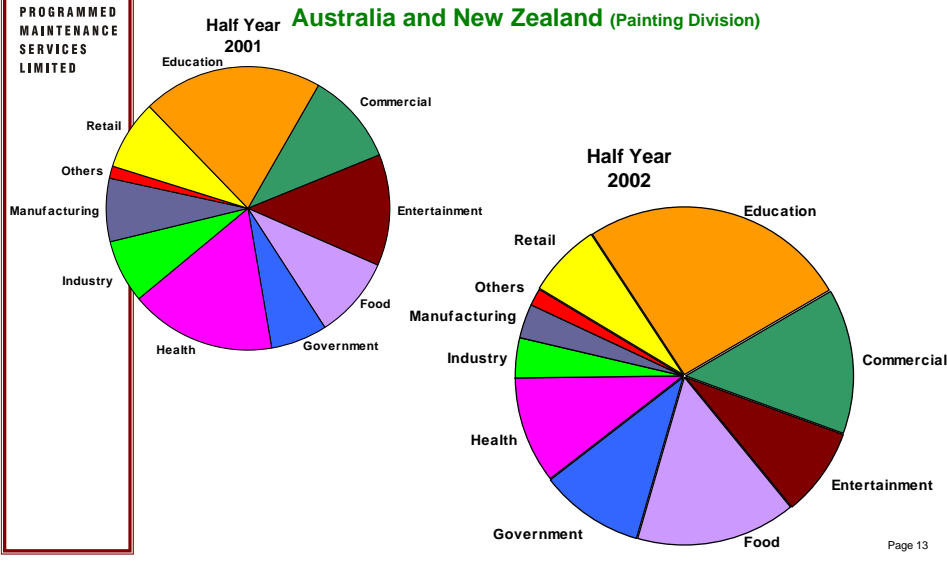
- Program terms range up to 12 years
- Year 1 – initial refurbishment
- Year 2 onwards – regular ongoing maintenance
- Funds are invested to provide for future revenue streams
- Customer payments are indexed to increases in costs
- Provides for forward work scheduling

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Broad Customer Base



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Broad Customer Base Cont . . .

**Australia, New Zealand & United Kingdom
(Painting Division)**

Blue Chip Customer Base including;

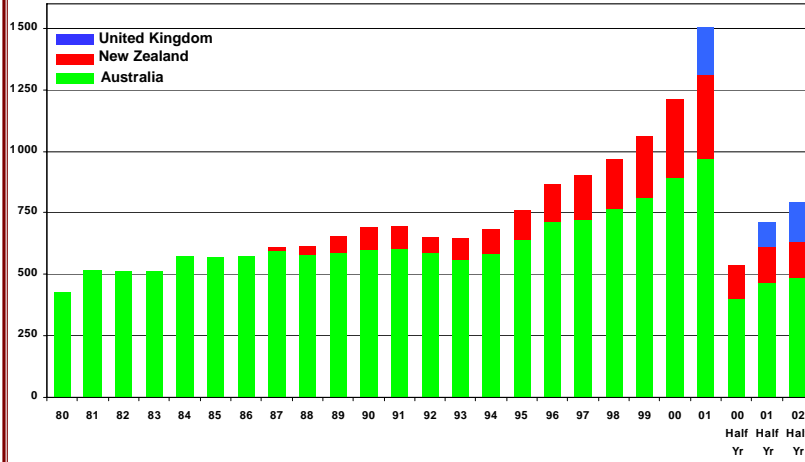
- **Over 850 Educational Institutions**
- **Over 50 Racecourses**
- **Over 140 Retirement Villages & Aged Care Institutions**
- **Over 110 Health Facilities**
- **Major Resort & Accommodation Facilities**
- **Major Religious Institutions**



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Operational Hours Worked

Painting Division



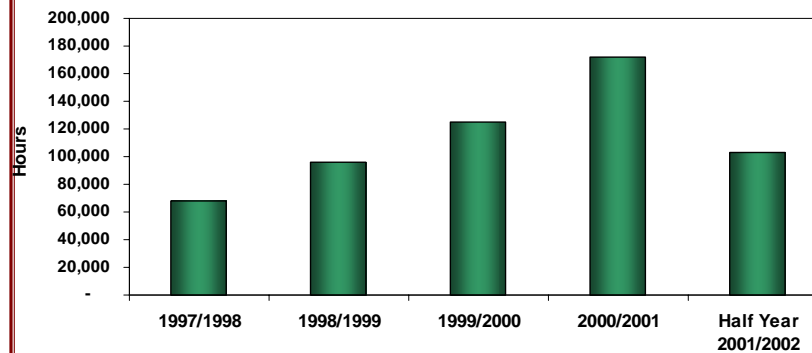
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Operational Hours Worked

Grounds Management Division

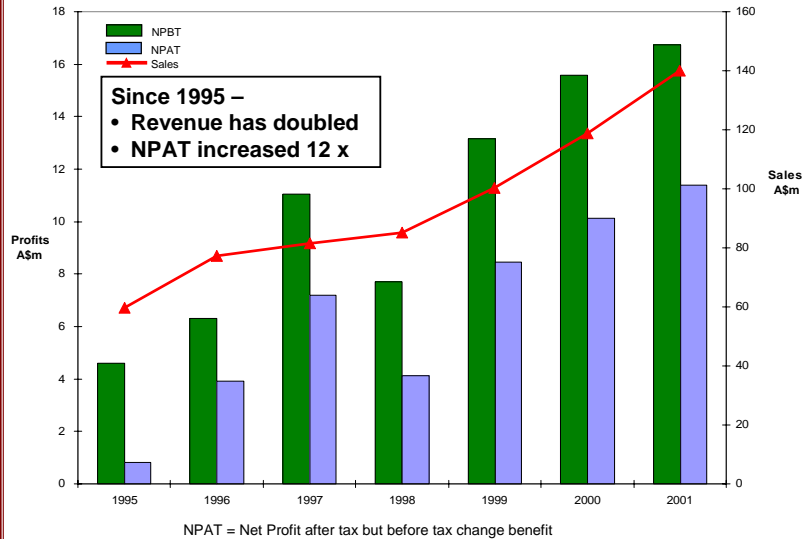


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Achievements to Date . . . Consistent Growth over 7 years



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United Kingdom Operations



Key Statistics

Whittle Painting Group Limited

- one of the larger painting contractors in the UK
- annual revenue from “one off” contracts is £6m
- 200 employees
- maintenance painting only of commercial buildings
- long established business & brands
- highly seasonal business, 70% of profits made in summer months

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Achievements to Date . . . United Kingdom

- Product has appeal to all sectors
- 30 long term maintenance painting programs sold to date - total contract value of £1m (A\$2.5m)
- Existing programs provide scope for major additional works (Racecourse Holdings Trust, Nuffield Hospitals, Schools/ Property Managers)
- UK personnel trained in estimating & customer proposals
- Seconded marketing and operations expertise from Australia
- Expanded operations with opening of Liverpool branch
- Although minor, UK operations have made profit contribution since the acquisition

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Current Issues

Implementation of new integrated information system

- **Modules now implemented**
 - ◆ contracts administration
 - ◆ payroll
 - ◆ financial reporting
 - ◆ fixed assets
 - ◆ accounts payable
 - ◆ accounts receivable
 - ◆ customer relationship management
- **Modules to be implemented into the new integrated system**
 - ◆ estimating & costing (using PDA's)
 - ◆ "Health Index" - KPI management reporting
 - ◆ online interfaces with suppliers & customers

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Future Direction . . . Future Outlook for the Group

- Continuing organic growth in our core maintenance painting business in Australia & NZ
- Rapid development of maintenance painting programs in the UK
- Continuing growth of more conventional cashflow businesses;
 - Industrial Services
 - Grounds Maintenance
 - Building Services
- Seeking acquisition opportunities in property maintenance services
- Examining financing alternatives that utilise the growth in contract recoverables to improve:-
 - operating cashflow
 - taxable income, and thereby franking credits
- Continued investment in our internal systems
- Strong work projections into next financial year

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