



PROGRAMMED MAINTENANCE SERVICES LIMITED

Presented by
Max Findlay, Managing Director

Year End Report - 31st March 2002



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Agenda

- **Financial Results**
- **Current Initiatives**
- **Customer Base**
- **United Kingdom operations**
- **Future Direction**
- **Appendix - Company Profile**





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Results Summary

A\$ million	31/3/2002	31/3/2001	% Chge
Revenue	159.3	146.4	8.8%
EBITDA	28.3	25.6	10.3%
EBIT	21.7	19.9	9.5%
Operating Profit	18.5	16.7	10.6%
Operating Profit after Tax	12.5	11.2	11.4%
Tax Change Benefit	-	1.6	
Reported Profit after Tax	12.5	12.8	
Dividend	5.2	5.8	

- 5 cents per share, 93% franked, 24/1/01
 - 4 cents per share, 66% franked, 25/7/01
 - 4 cents per share, unfranked, 24/1/02
 - 4 cents per share, unfranked, 25/7/02

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Performance Trend

A\$ million	31/03/02	31/03/01	% Change
Revenue			
PMS Australia	107.7	99.8	8
Industrial Services	14.8	14.6	1
PMS NZ	20.4	18.8	8
PMS UK	16.4	13.2	25
Total	<u>159.3</u>	<u>146.4</u>	<u>9</u>
EBIT			
PMS Australia	14.3	13.5	6
Industrial Services	0.3	0.8	(44)
PMS NZ	6.5	5.2	25
PMS UK	0.6	0.4	65
Total	<u>21.7</u>	<u>19.9</u>	<u>9</u>
Net Interest Expense	(3.2)	(3.1)	(4)
Tax Expense	(6.0)	(5.5)	(9)
Profit after Tax	12.5	11.2	11

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Consolidated Statement of Cashflows

A\$ million	31/03/02	31/03/01
Gross operating cashflows	7.0	5.9
Income tax payments	(2.1)	(3.1)
Net operating cashflows	4.9	2.8
Net investing cashflows	(2.5)	(1.0)
Net financing cashflows	(0.5)	0.0
Increase in cash held	1.9	1.8
Net investment for UK business	-	(3.0)
Net increase (decrease) in cash held	1.9	(1.2)
Cash at beginning of period*	(1.0)	1.2
UK Overdraft acquired	-	(1.1)
Cash at end of period	0.9	(1.1)

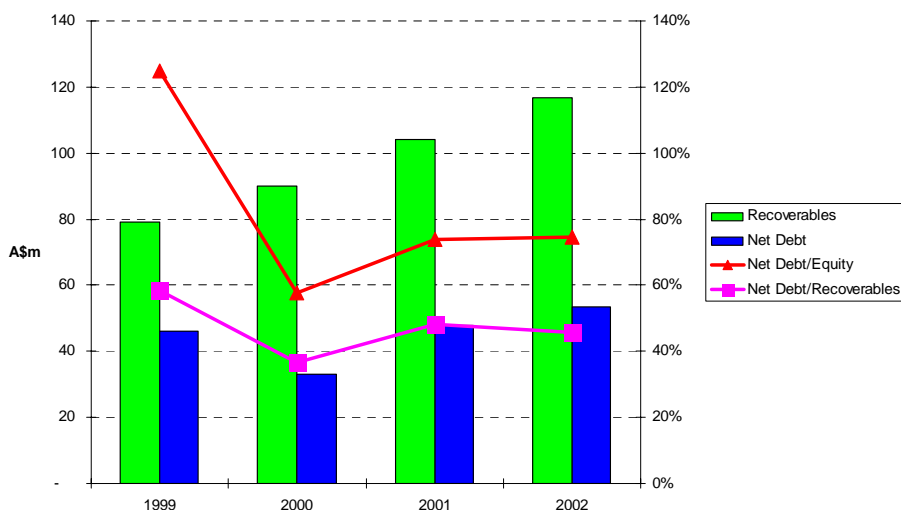
* Cash at beginning is adjusted for exchange rate movements

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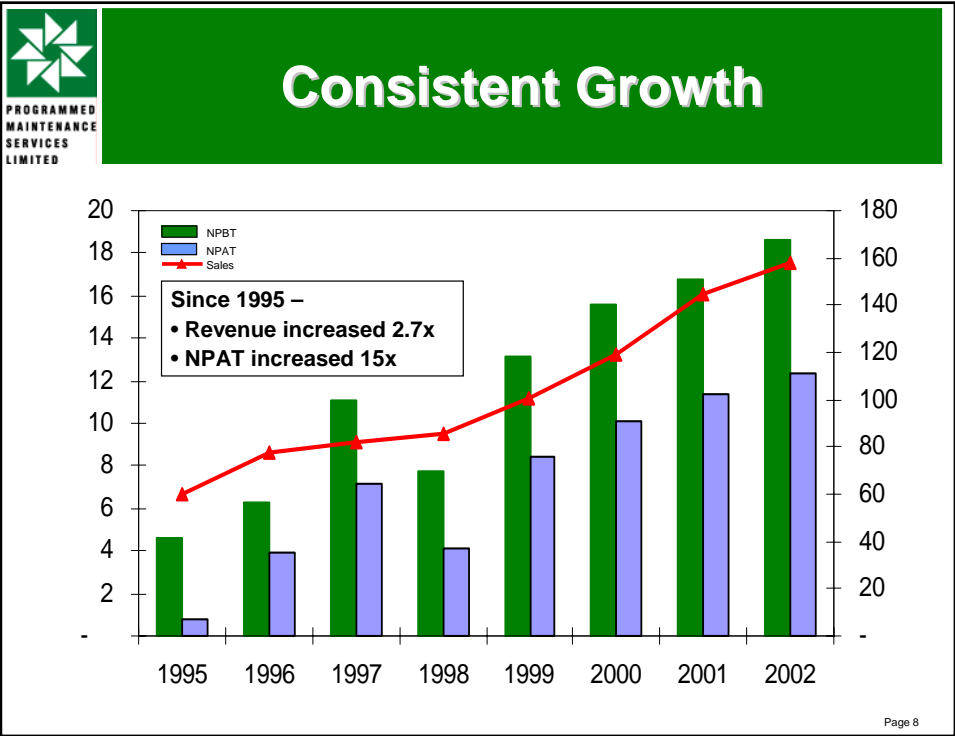
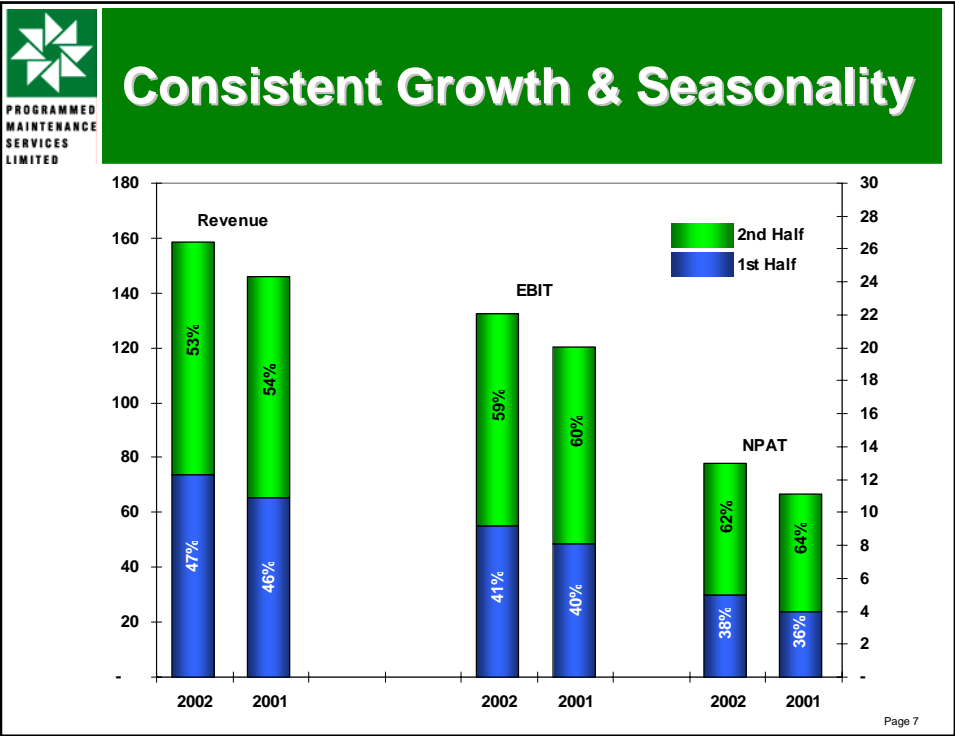


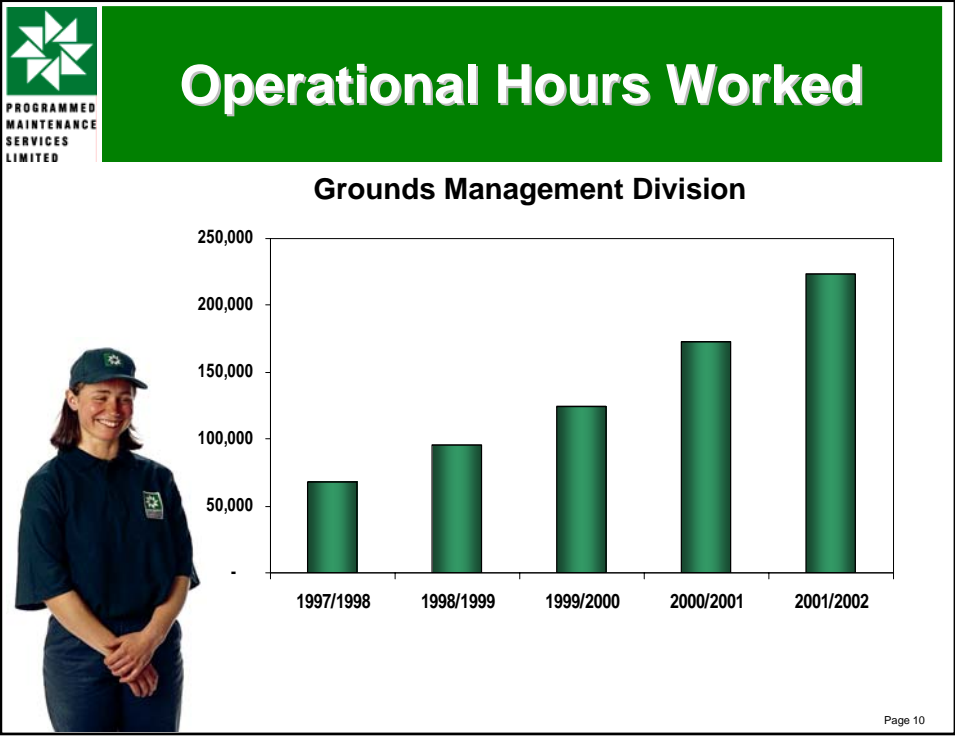
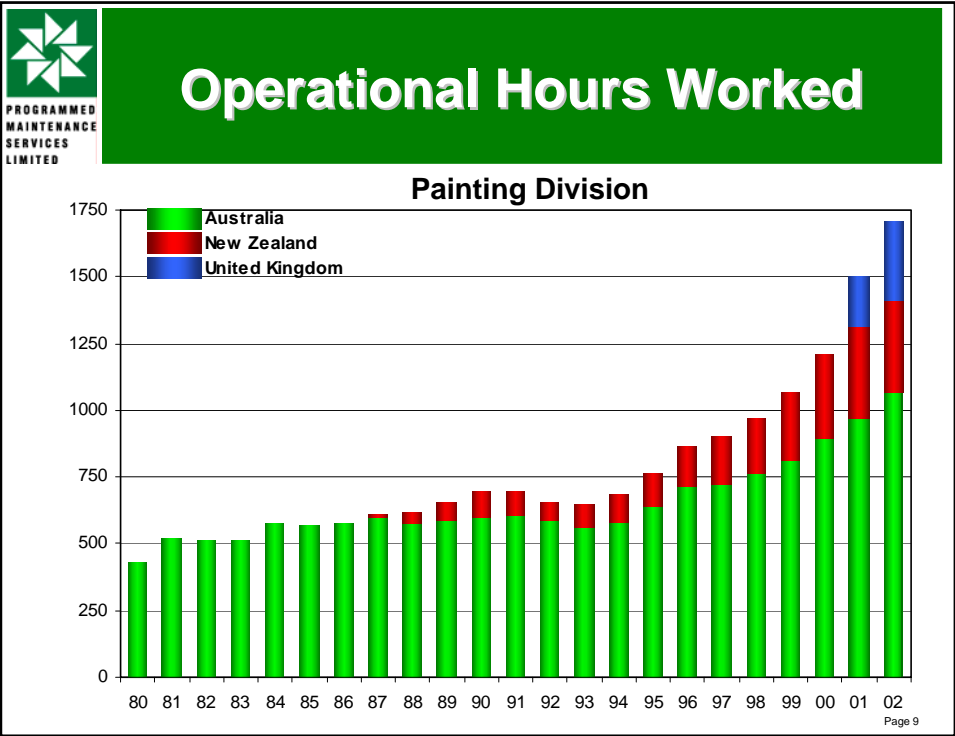
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Contract Recoverables & Net Debt



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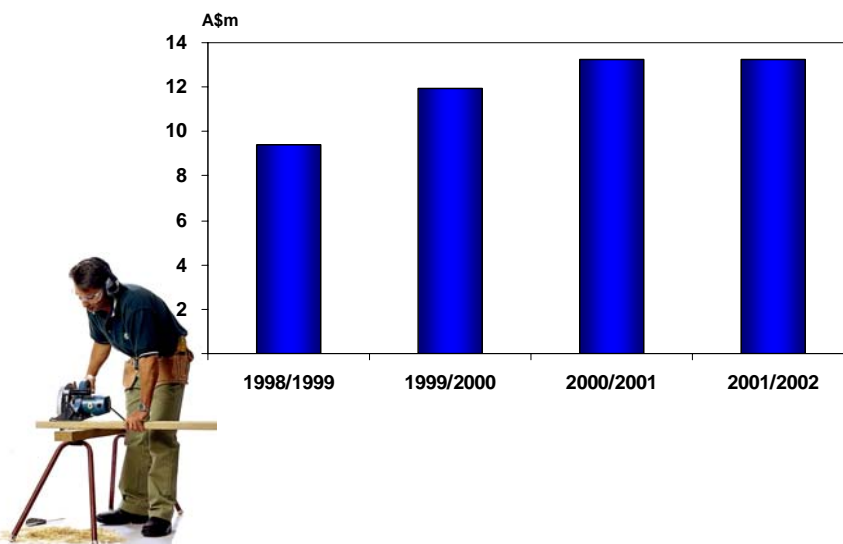






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Revenue – Building Services



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Current Initiatives

Implementation of integrated information system

- **now implemented**
 - ◆ contracts administration
 - ◆ financial modules
 - ◆ customer relationship management
- **to be implemented**
 - ◆ estimating & costing (using PDAs)
 - ◆ “Health Index” - KPI management reporting
 - ◆ online interfaces with suppliers & customers

Formation of Building Services Division

- clear focus on growing as separate business

Expansion of Grounds

- establishment of operations in Western Australia

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Current Initiatives (cont'd)

Continued Development of United Kingdom

Further Development of Human Resources

- update of OH&S procedures
- update of Quality system procedures
- performance management extended throughout business operations
- management trainees appointed
- continued development of apprenticeships

Sales Management System

- implementation of Mercuri sales management
- introduction of sales incentives
- link into IT system implementation

Increased Focus on Operational Process

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Current Initiatives (cont'd)

Securitisation

- Advantages:
- improved cashflow
 - improved balance sheet ratios
 - fully franked dividend capacity

offset by

- Disadvantages-
- reduction in revenues & profits
 - limitations on operational flexibility
 - tax payments no longer deferred

Other financing alternatives utilising contract recoverables will be pursued.

Dividend Reinvestment Plan

To apply from July dividend – fully underwritten

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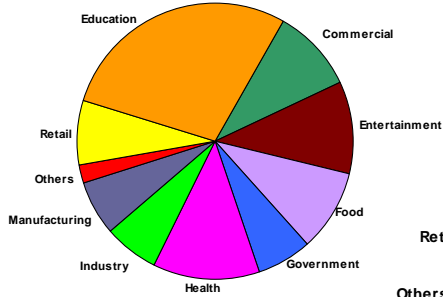


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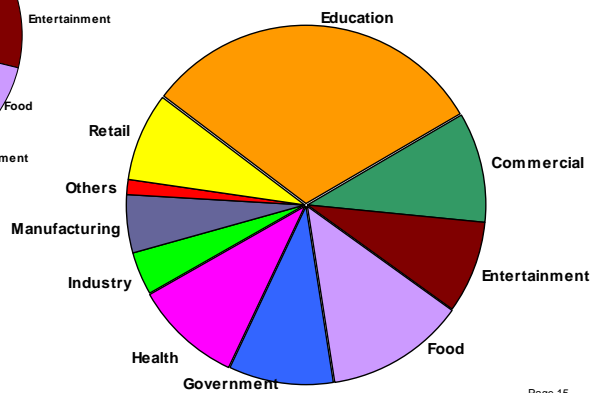
Customer Base

Australia and New Zealand (Painting Division)

Year End 00/01



Year End 01/02



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Customer Base

Some major contracts written during 2001/2002 include;

Painting Services

- The Scots School Albury, VIC
- Mowbray College, VIC
- Inghams Enterprises Pty Ltd, VIC
- Kardinia International College, VIC
- Alstom Melbourne Transport Limited, VIC
- Monte Saint Angelo College, NSW
- Stockland Trust Group, NSW
- Holiday Inn Crowne Plaza, NSW
- Multiple Sclerosis Society of NSW
- Royal Agricultural Society of NSW
- Armstrong Jones Management Ltd, NSW
- Australian Cooperative Foods, NSW
- British Aerospace, NSW
- South Australian Brewing Company Ltd, SA
- Royal Agricultural & Horticultural Society, SA
- Golden Cockerel Pty Ltd, QLD
- Trinity Catholic College, QLD
- Incitec Ltd, QLD
- Rottnest Island Authority, WA
- WA Government Railways Commission, WA
- Transfield Defence, WA
- Cripps Bakery Pty Limited, TAS
- Anchor Products – Hautapu, NZ
- Porirua College, NZ
- New Zealand Army
- Taranaki Healthcare, NZ
- Northcote College, NZ
- New Zealand Bloodstocks Limited

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Customer Base

Some major contracts written during 2001/2002 include;

Grounds Maintenance Services

- City of Greater Geelong, VIC
- Paperlinx, VIC
- Uniting Church Homes, WA
- Swan Village of Care, WA
- Adelaide University, SA
- City of Charles Sturt, SA
- EPA, NSW
- Mobil Australia (SA, VIC, NSW & QLD)

Building Services

- South Australian Housing Trust
- Catholic Archdiocese of Melbourne, VIC
- Department of Housing, NSW
- Brigidine Sisters, NSW
- Aged care unit refurbishments (including Anglican Retirement Villages, Village Care)

Barry Bros Industrial Services

- South East Water, "Priority Plumbing" (general plumbing services)
- EROC Pty Ltd, Snowy Mountains (vacuuming for installation of fibre optic cable)
- Tenix (high pressure cleaning of frigates)
- Sydney Water, Hot Spots (root cutting program)
- Logan City Council (CCTV & Cleaning contract)
- Leightons "NextGen" Project (Non-Destructive Digging)

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Achievements to Date . . . United Kingdom

- Product has appeal to all sectors
- 37 long term maintenance painting programs sold to date - total contract value of £1.2m (A\$3.2m)
- 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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Future Direction . . . Future Outlook for the Group

Growth targets in our core maintenance painting business

- Australia - 10%
- New Zealand - 12%
- United Kingdom - rapid growth from small base

Continuing growth of conventional cashflow businesses;

- Industrial Services
- Grounds Maintenance
- Building Services

Seeking acquisition opportunities in property maintenance services

- No major competitors in core painting markets in Aust/NZ
- Limited number of opportunities in grounds management
- Desire to avoid businesses exposed to construction cycles

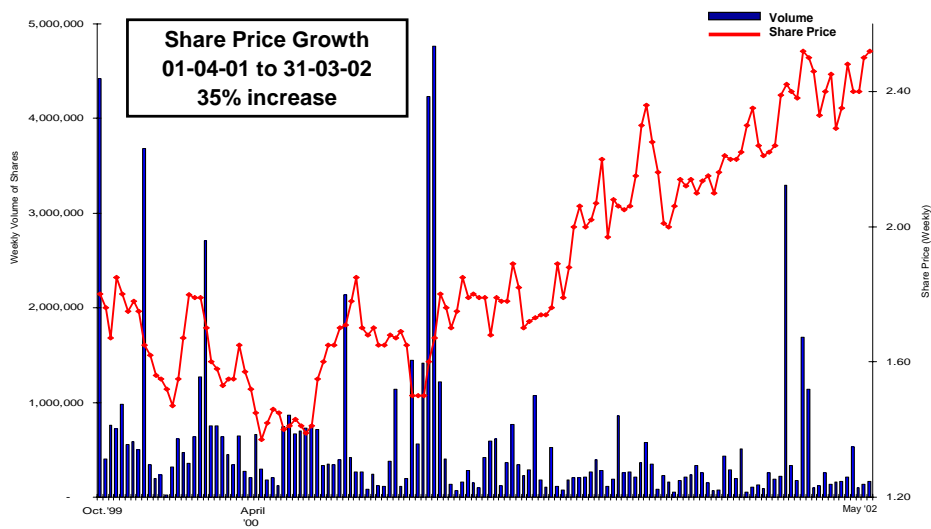
Current work projections provide good start for next financial year

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PRG Share Price & Volume



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Appendix

- **Company Profile**
- **Core Strengths**
- **Australian Painting Market**
- **Long-Term Maintenance Programs**
- **Group Structure & Locations**



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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**

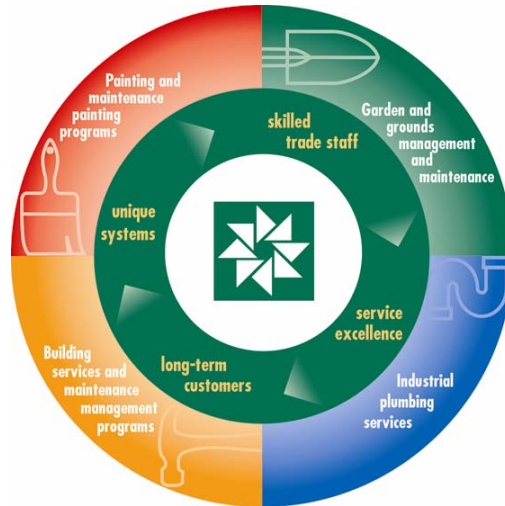
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Company Profile . . .

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.



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 &
now Western 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:-



- 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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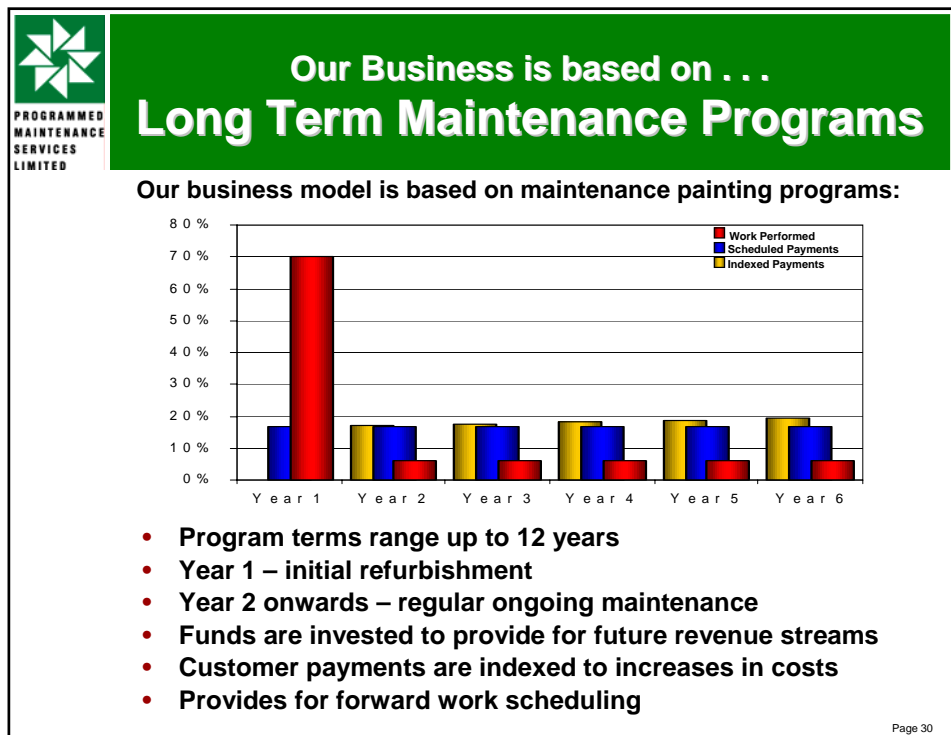
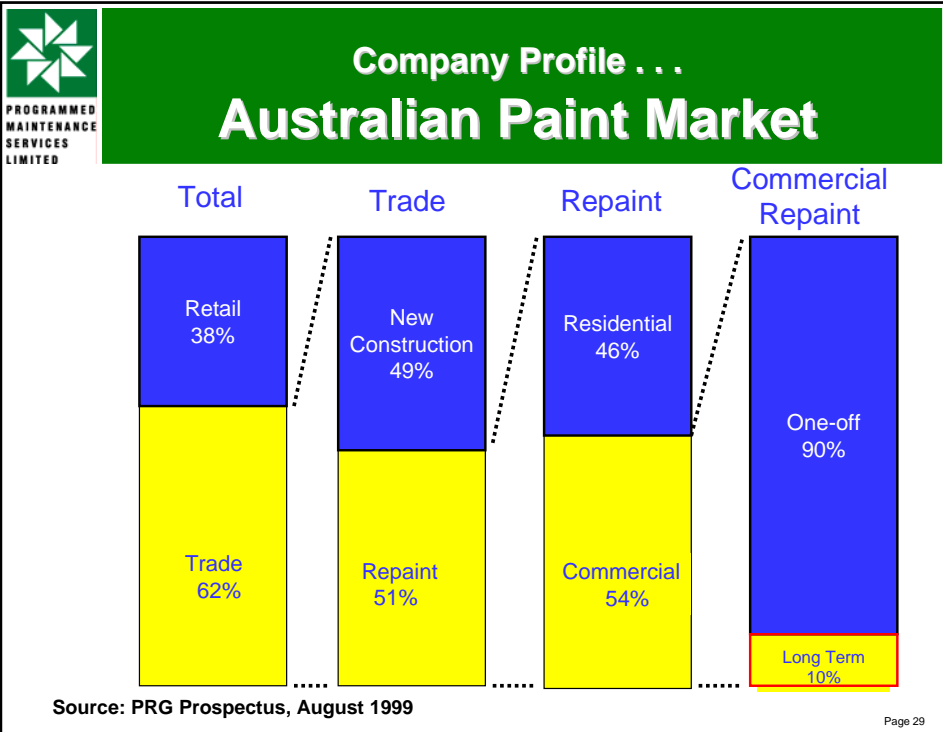



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Company Profile . . . **Our Core Strengths**

- Blue chip customer base of over 4,500 customers spread across a wide range of market segments
- Only one customer (in the public sector) contributes more than 1% of revenue
- Our business is focused on outsourcing of property maintenance services, not new building construction
- Long term revenue streams & certainty of future earnings
- Stable workforce of over 1,500 staff, & 80 apprentices in Australian operating businesses
- Long term programmes provide some insulation from economic cycles with a unique product offering
- Proprietary IT, estimating and customer knowledge systems
- A business model not easily replicated & unique worldwide

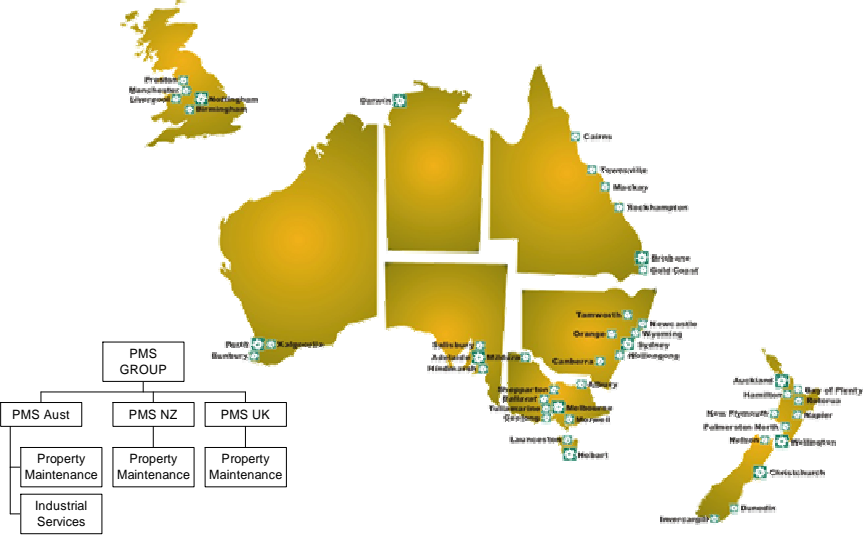
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Company Profile . . . Group Structure & Locations




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United Kingdom Operations



Preston
Manchester
Liverpool **Nottingham**
Birmingham

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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