



**PROGRAMMED  
MAINTENANCE  
SERVICES**

**PEOPLE  
TAKING CARE  
OF PROPERTY**

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VICTORIA 3149

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## **ASX Announcement**

24 November 2004

Company Announcements Office  
Australian Stock Exchange Limited  
Exchange Centre  
Level 4  
20 Bridge Street  
SYDNEY NSW 2000

Dear Sir,

### **RESULTS PRESENTATION – HALF YEAR RESULTS**

Please find attached a copy of the results presentation for the half year ended 30<sup>th</sup> September 2004 which will be presented by Mr. Max Findlay, Managing Director, to investment analysts in Melbourne on Wednesday 24<sup>th</sup> November and Sydney on Thursday 25<sup>th</sup> November.

Yours sincerely,  
**PROGRAMMED MAINTENANCE SERVICES LIMITED**

Ian H. Jones  
Secretary

# RESULTS ANNOUNCEMENT

## Half Year Ended 30 September 2004



Presented by  
**MAX FINDLAY, Managing Director**

**24 November 2004**



**PEOPLE  
TAKING CARE  
OF PROPERTY**

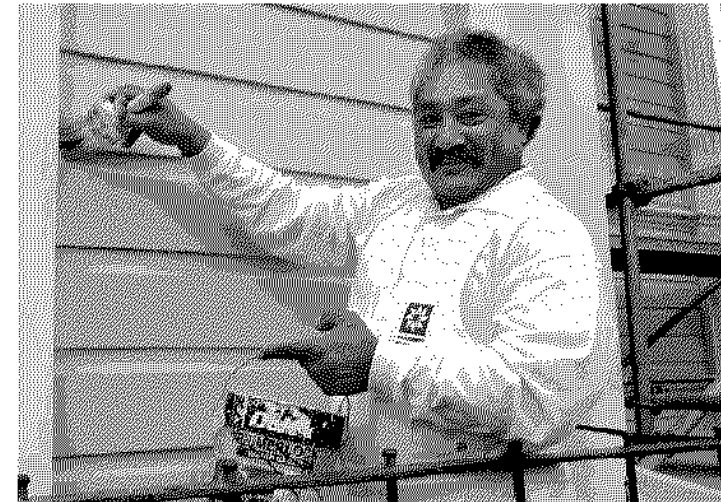
# Agenda

- **Highlights**
- **Key Financial Results**
- **Segment Performance**
- **Strategic Progression**
- **Outlook for 2005**
- **Appendix**



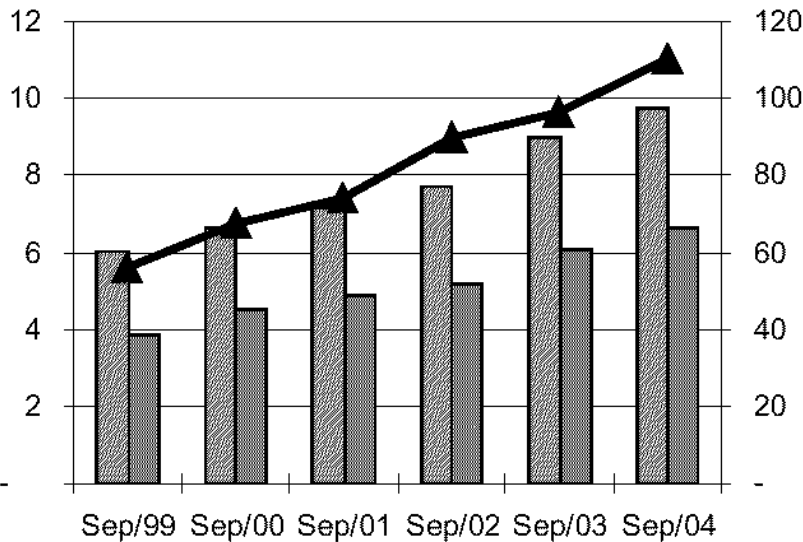
# Highlights – 30<sup>th</sup> September 2004

- **Sixth consecutive first half growth in group revenues and profits since ASX listing on 1 October 1999**
- Group revenue \$110.4m (up 14.7%)
- Group profit after tax \$6.6m (up 9.5%)
- Interim dividend 6.5 cps, 60% franked (up 18.2%)
- Further growth in United Kingdom programmes
- Acquisition of Serco contracts  
– creation of ‘Infraserv’



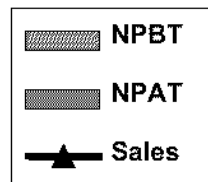
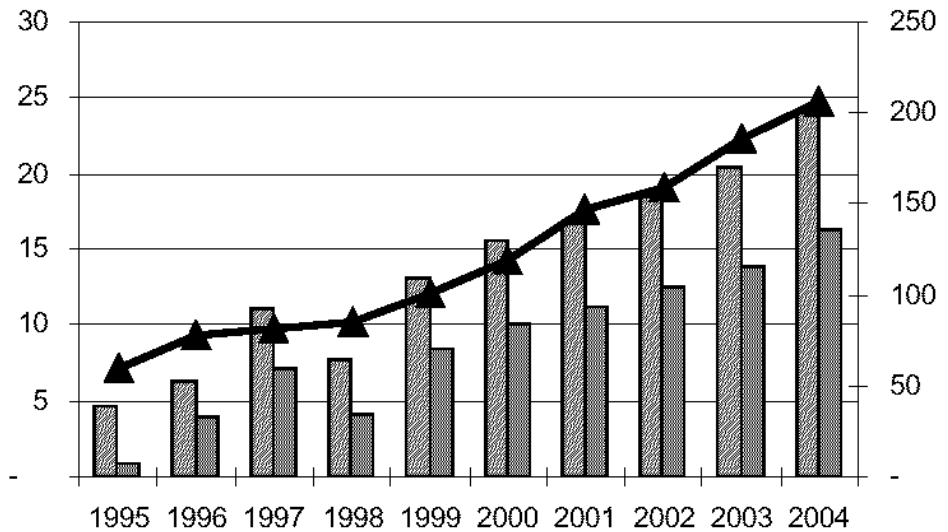
# Consistent Growth

## First Half Results



## Annual Results

Y/E 31<sup>st</sup> March



Profits - left hand axis in A\$m  
Revenues - right hand axis in A\$m

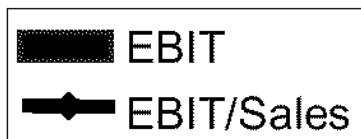
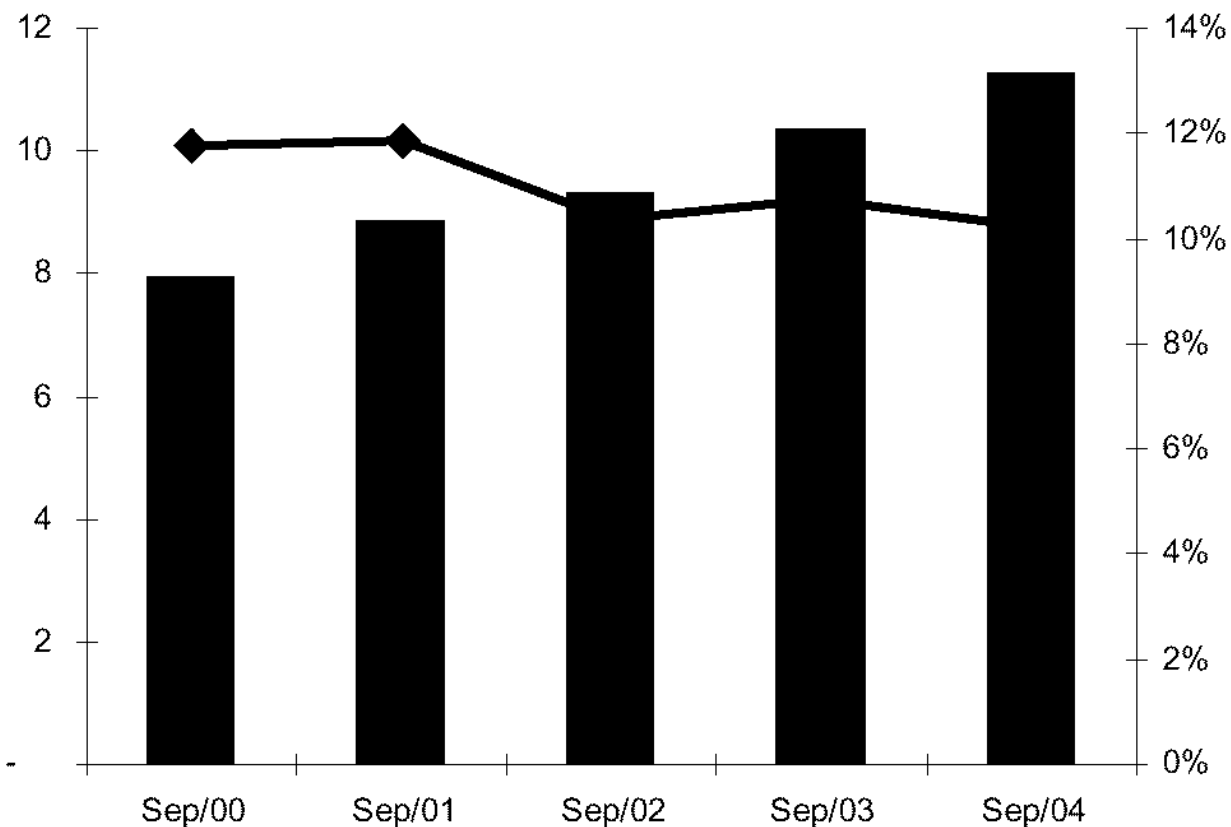
# Group Financial Results

A\$m	30/09/2004	30/09/2003	% increase
Revenue	110.4	96.2	14.7%
EBITDA	15.1	13.7	10.1%
EBIT	11.3	10.4	8.8%
Profit before Tax	9.8	9.0	8.4%
Income Tax Expense	(3.1)	(2.9)	6.4%
<b>Profit after Tax</b>	<b>6.6</b>	<b>6.1</b>	<b>9.5%</b>

# Segment Performance

A\$m	30/09/2004	30/09/2003	% change
<b>Revenue</b>			
Property Maintenance - Aust.	75.4	63.5	18.9%
Industrial Services	9.6	9.6	0.2%
Property Maintenance - NZ	13.3	13.5	-1.3%
Property Maintenance - UK	12.0	9.7	23.9%
<b>Total Revenue</b>	<b>110.4</b>	<b>96.2</b>	<b>14.7%</b>
<b>EBIT</b>			
Property Maintenance - Aust.	6.6	5.8	12.6%
Industrial Services	0.5	0.5	-13.5%
Property Maintenance - NZ	3.4	3.8	-11.5%
Property Maintenance - UK	0.8	0.1	539.9%
<b>Total EBIT</b>	<b>11.3</b>	<b>10.4</b>	<b>8.8%</b>

# EBIT Margins



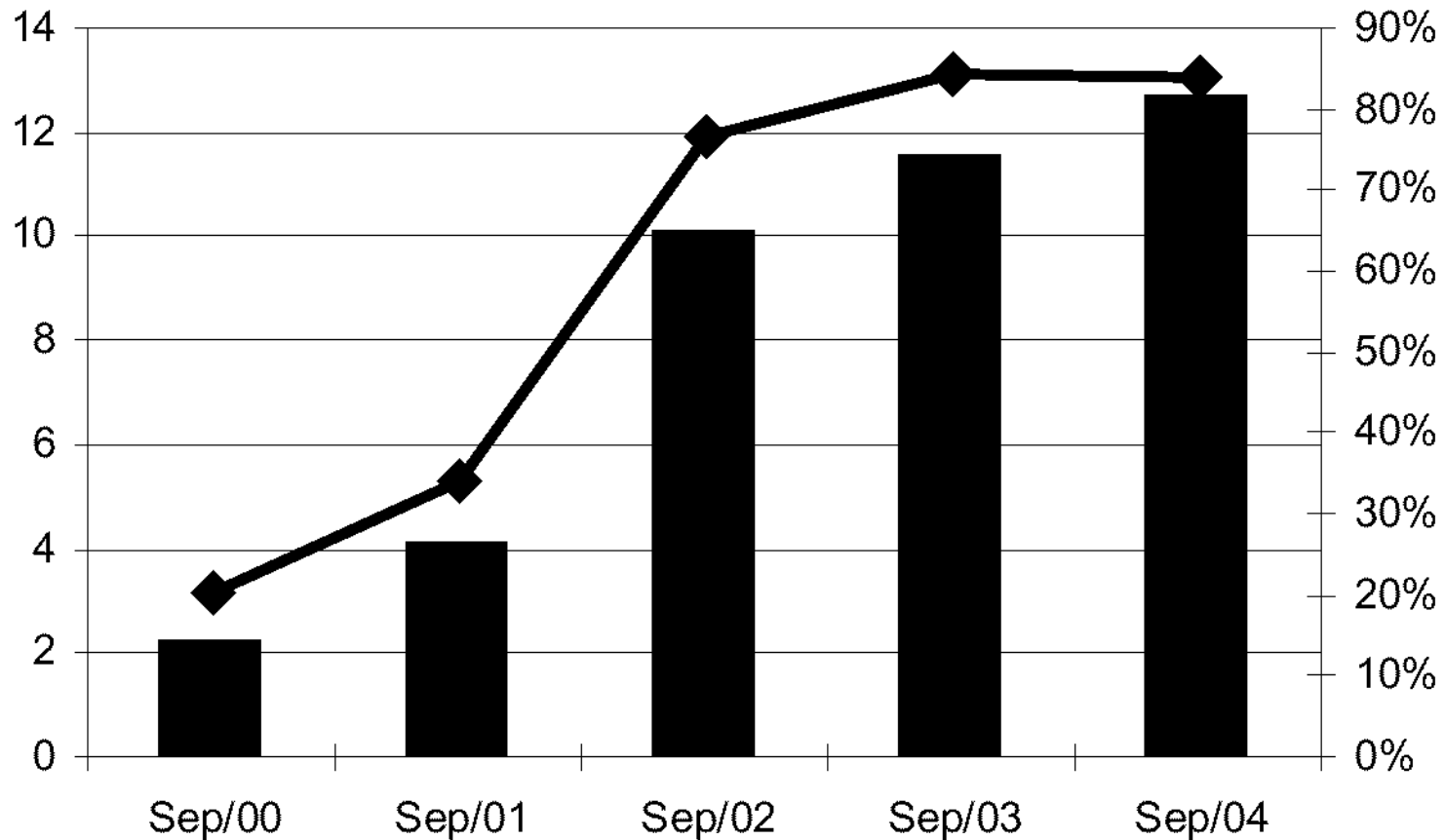
EBIT - left hand axis in A\$m  
EBIT/Sales - right hand axis as %



# Group Cashflows

A\$m	30/09/2004	30/09/2003
Gross Operating Cashflows	12.7	11.6
Net Interest Payments	(1.5)	(1.3)
Income Tax Payments	(3.4)	(1.1)
<b>Net Operating Cashflows</b>	<b>7.8</b>	<b>9.1</b>
Net Investing Cashflows	(3.1)	(0.8)
Net Financing Cashflows	(5.1)	(10.4)
<b>Increase in Cash held</b>	<b>(0.4)</b>	<b>(2.1)</b>
Cash at beginning of period	(0.0)	1.8
<b>Cash at end of period</b>	<b>(0.4)</b>	<b>(0.3)</b>

# Improved Operating Cashflows

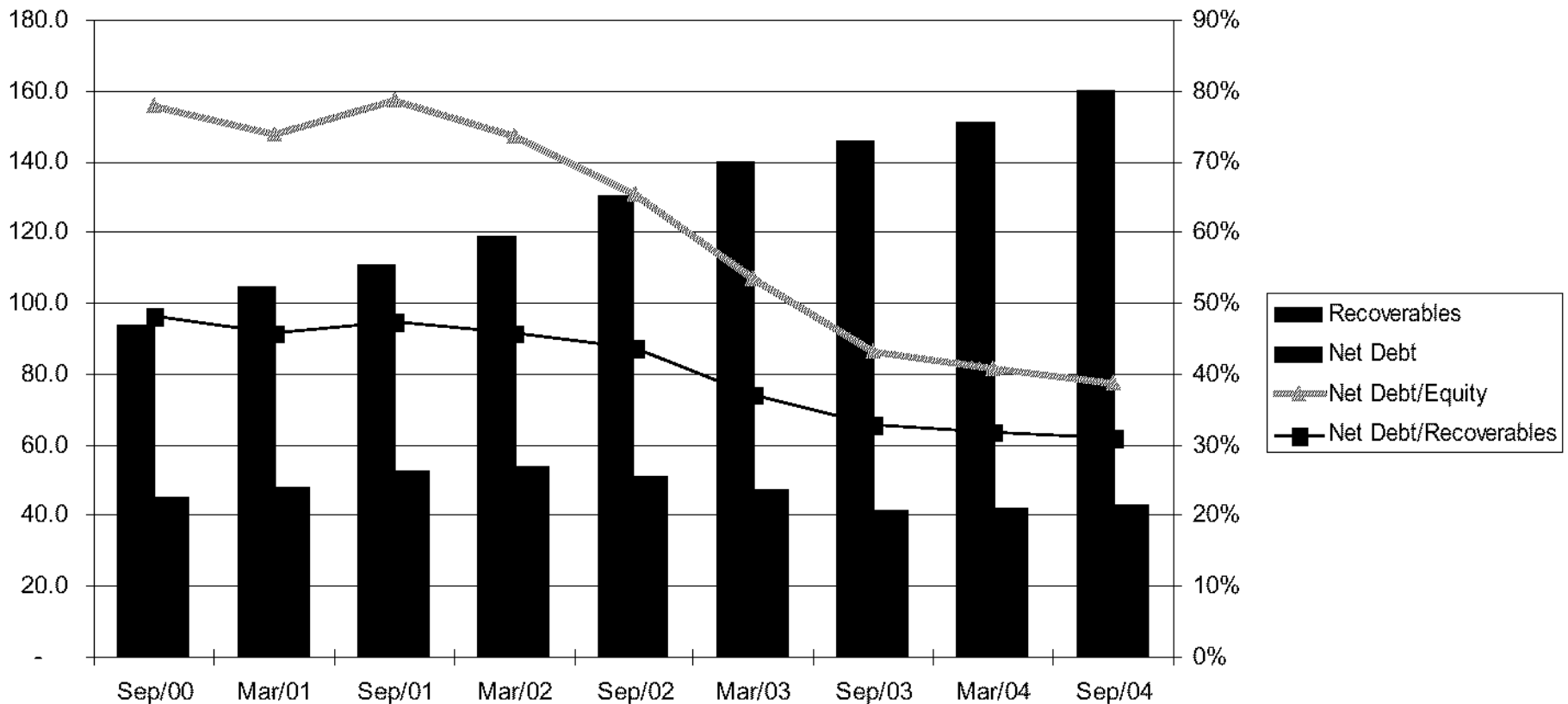


Gross Operating Cash Flows (GOCF) in A\$m



GOCF as a % of EBITDA

# Recoverables, WIP & Net Debt



Work in Progress included in Recoverables from 2002, following change in accounting policy

# United Kingdom

- Revenue of A\$12m (up 24%)
- Programmes contributed 19% of revenue
- EBIT of \$0.8m
- All regional branches profitable
- Over 180 programmes sold to date
  - total contract value of **£5.8m (A\$14.5m)**
- Over 110 programmes sold in Education sector



# New Zealand

**The New Zealand Herald** 27 Oct. 2004



"This year has been a really mixed bag for New Zealand, stormy and unsettled with very large swings such as the extreme cold in August and the one-in-100-year Manawatu floods."

Rain has fallen in Auckland on 119 days so far this year; the annual average is 111 days. The most rainfall days recorded in a year since 1962 is 131.

- NZ revenue and earnings declined
  - impact of wet weather
  - Westpac refurbishment in Sept. 03 half
- Significant programme wins
  - Landcorp Farming Limited
  - several large schools
- Development of building services
- Strong work projections for balance of 2005

# Industrial Services



- Revenue of \$9.6m
- EBIT of \$0.47m (down 13.5%)
- Queensland and New South Wales affected by dry weather
- \$3m plant & equipment purchased
- Demand continues to grow for non-destructive digging
- Second water recycling plant opened

# Infraserv



Five contracts purchased from Serco Australia Pty. Ltd.

- four acquired on 1<sup>st</sup> July 2004
- one acquired on 1<sup>st</sup> September 2004
- annualised revenue of over \$20 million

Creation of “Infraserv”

- Business model based on strategic alliances
- Broadens range of services
- Aim to grow business beyond purchased contracts

# Infraserv Business

- Broadly, three product streams are provided by Infraserv:
  - Assurance and Risk Management services
  - Infrastructure Management: (facilities management, maintenance and service provision)
  - Estate Management which combines the two product streams above into an integrated solution

Risk Management  
Prevention  
Protection  
OH&S

Infrastructure  
Assurance

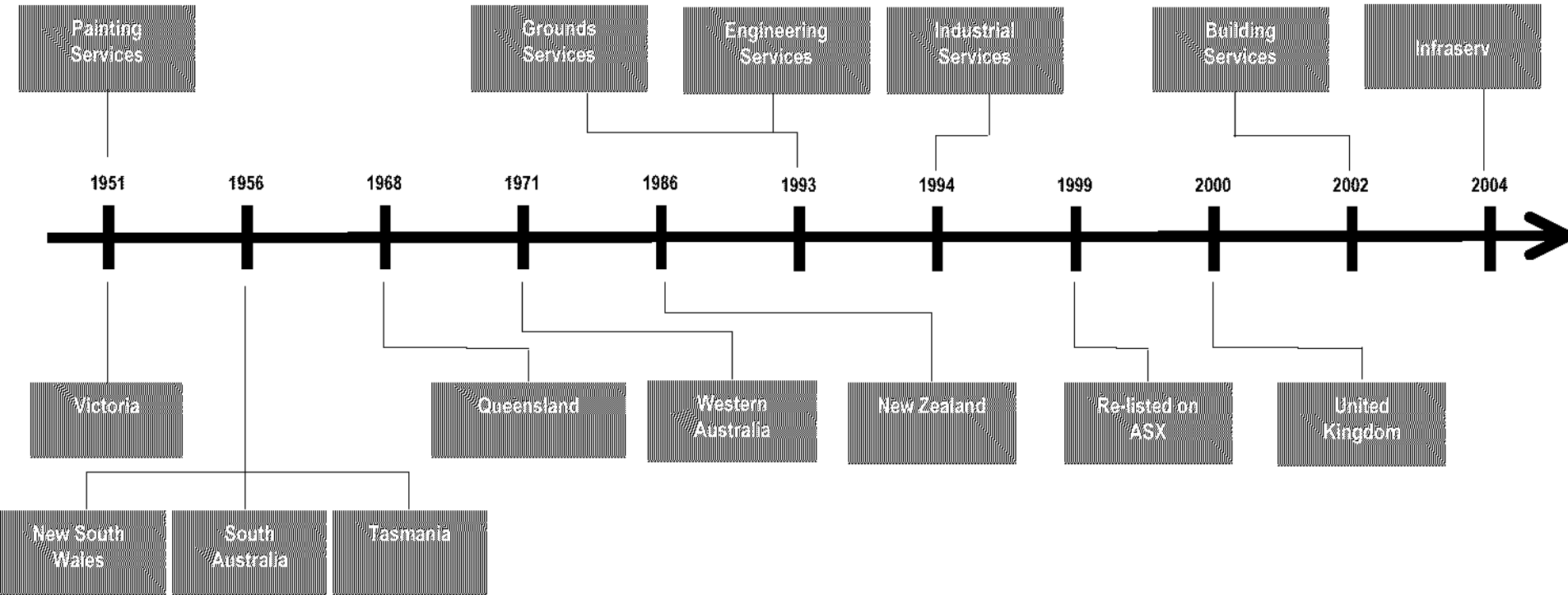
Total Estate  
Management

Infrastructure  
Management

Environment  
Physical Assets  
Supporting Services



# Strategic Progression



Single Service Offering

Multiple Trade Offering

Integrated Service Provider

# Outlook for 31 March 2005

- Growth in profit after tax projected to be 11% to 13%
- Better indication available after completion of busy summer period
- Further development of non-painting services, with organic growth and the Infraserv acquisition
- Further programme sales in the United Kingdom
- Expansion of customer offering through alliances and technology solutions

# Questions ?



# Appendix

## Corporate Information

- Company profile
- Group structure & locations
- Long term maintenance programmes

# 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 management businesses with over 200 employees
- An integrated building services business, maintaining a range of property assets

# Company Profile – cont'd

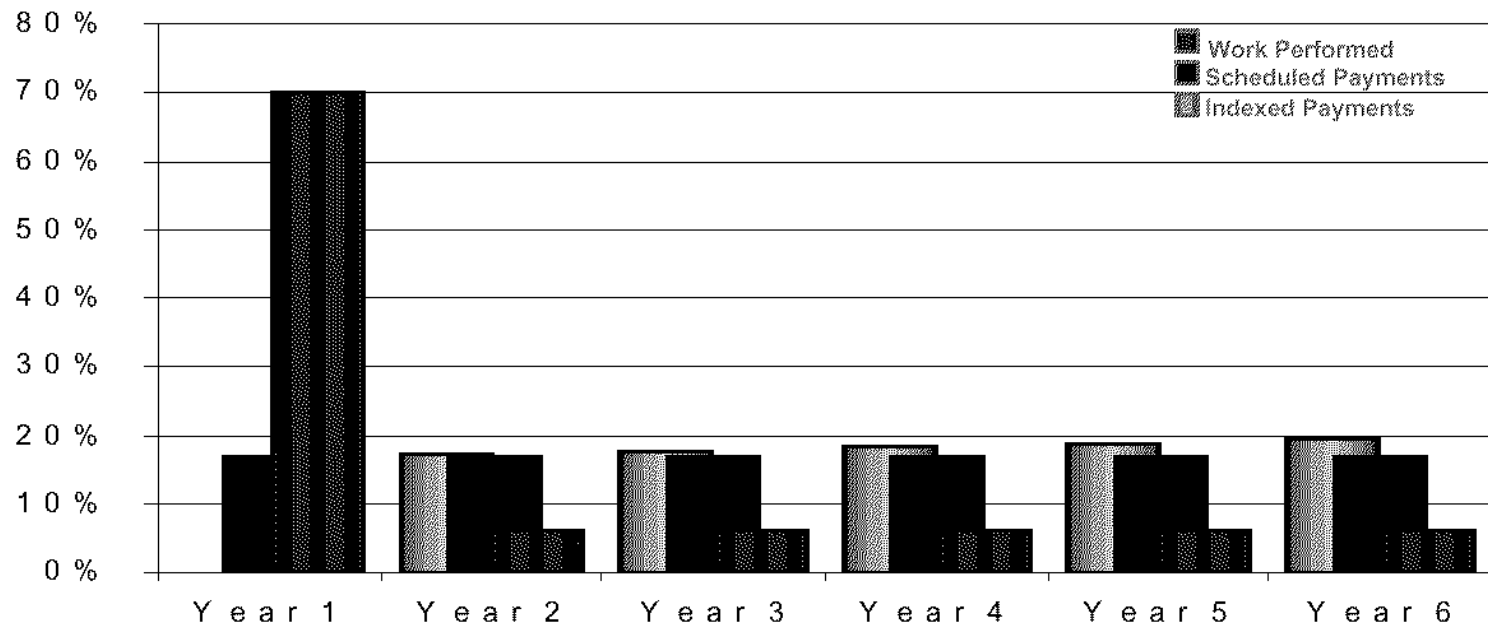
- Industrial services business providing industrial and underground asset maintenance services
- Infrserv business providing infrastructure services through strategic alliances with customers
- Currently maintain over 60,000 buildings and structures for over 5,000 customers throughout Australia, NZ and the UK
- Branch office network in Australia (30), NZ (14) and UK (5)
- Over 2,000 employees and 100 apprentices

# Group Structure & Locations



-  STATE OFFICE
-  REGIONAL OFFICE

# Long Term Maintenance Programmes



- Programme 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