



**PROGRAMMED
MAINTENANCE
SERVICES**

**PEOPLE
TAKING CARE
OF PROPERTY**

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ASX Announcement

20 January 2005

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

Dear Sir,

ANALYST PRESENTATION

Please find attached a copy of the slide presentation to be given today by Mr. Max Findlay, Managing Director, to a group of fund managers and investment analysts in a meeting at Tolhurst Noall Ltd. in Sydney.

Yours sincerely,
PROGRAMMED MAINTENANCE SERVICES LIMITED

Ian H. Jones
Secretary

PRESENTATION TO TOLHURST NOALL



Presented by
MAX FINDLAY, Managing Director

20 January 2005



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Agenda

- Business Overview
- Strategic Progression
- Key Financial Results
- Outlook for 2005
- Comparison of 2004 data
- Questions



Business Overview

- The business was founded in 1951
- Floated on the ASX on 1st October 1999
- Provides a range of property maintenance services to commercial, industrial and institutional property owners
- Currently maintain over 60,000 buildings and structures for over 5,000 customers throughout Australia, NZ and UK
- Branch office network in Australia (40), NZ (14) and UK (5)
- Over 2,000 employees and 100 apprentices



Business Overview – cont'd

Property Maintenance

Painting: provides painting services, including long term maintenance programmes and signwriting

Building Services: provides total property maintenance solutions through the provision of contracting and specialist services across all trade disciplines

Grounds Management: provides regular and scheduled gardens and grounds maintenance, including landscaping, fertilisation, irrigation and refuse removal

Infraserv: infrastructure assurance and estate management services

Industrial Services

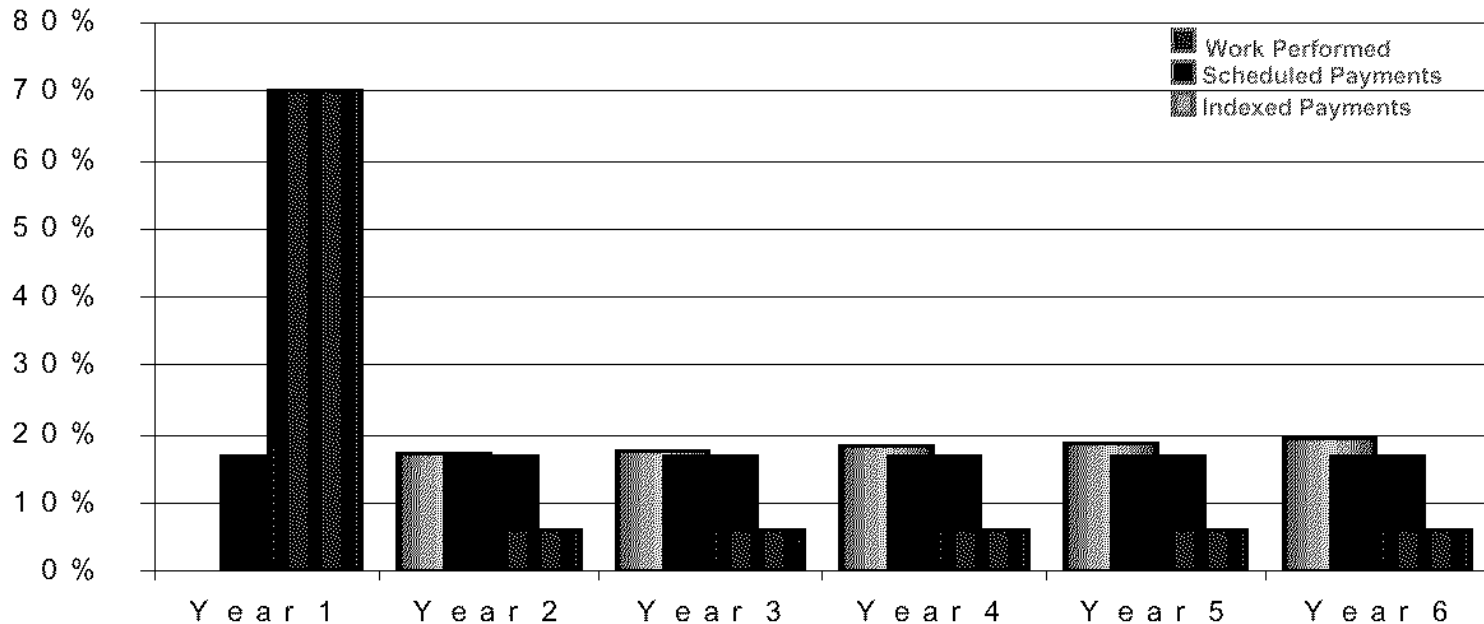
(trading as Barry Bros.): provides industrial and underground asset maintenance services, including sewerage and drainage maintenance, ultra-high pressure cleaning, non-destructive digging, vacuum loading and hydro demolition

Core Strengths

- Blue chip customer base spread across a range of market segments - only two customers contribute more than 1% of revenue
- The business is focused on outsourcing of property maintenance services, not new construction or residential services
- Long term revenue streams to provide future earnings
- Proprietary IT, estimating and customer knowledge systems
- A business model not easily replicated & unique worldwide
- Long term programmes provide some insulation from economic cycles with a unique product offering

Long Term Maintenance Painting Programmes

Our business model is based on maintenance painting programmes:

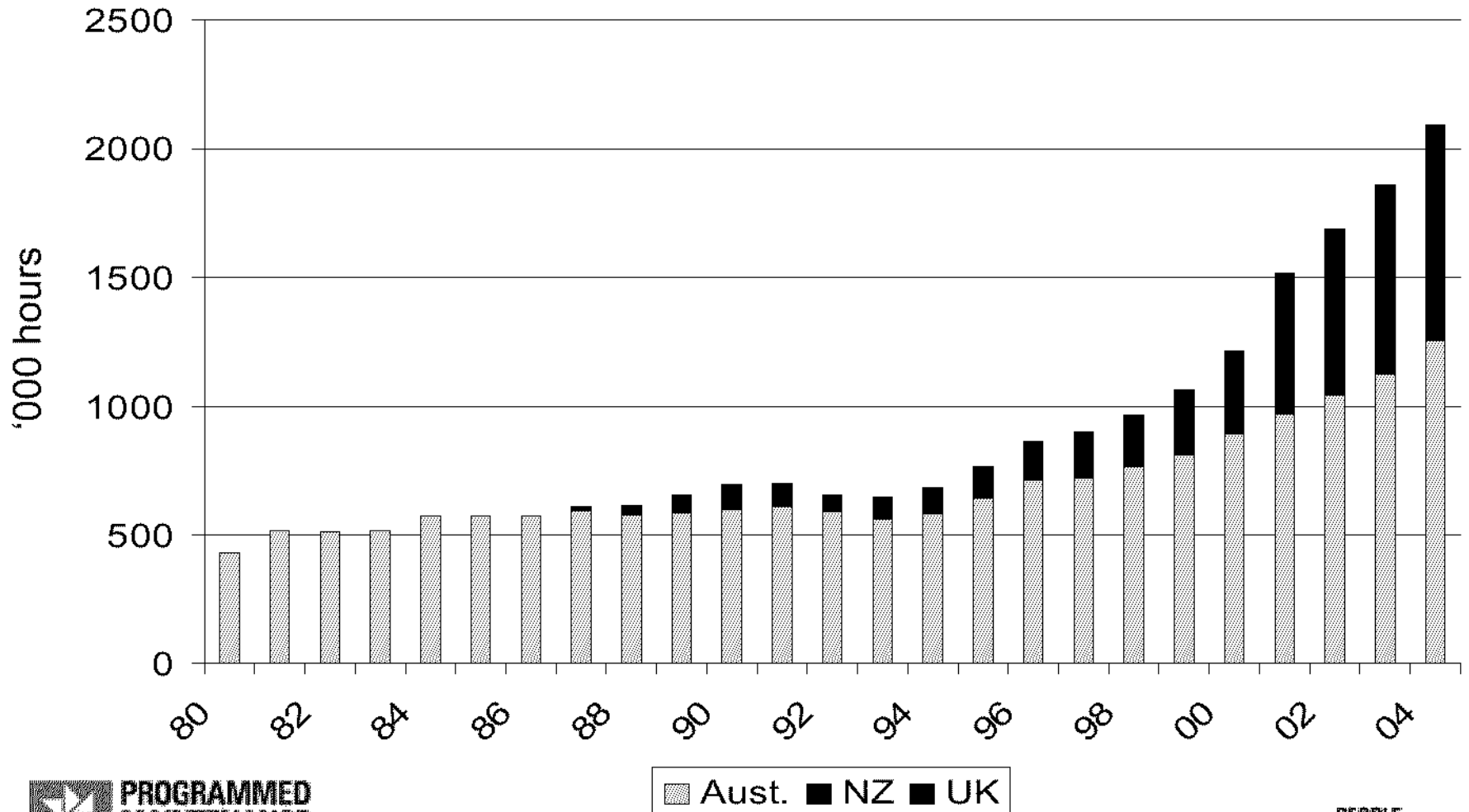


- Programme terms range up to 12 years
- Year 1 – initial refurbishment
- Year 2 onwards – regular ongoing maintenance
- Funds are invested to provide for future revenue streams
- Customer payments are indexed to increases in costs
- Provides for forward work scheduling

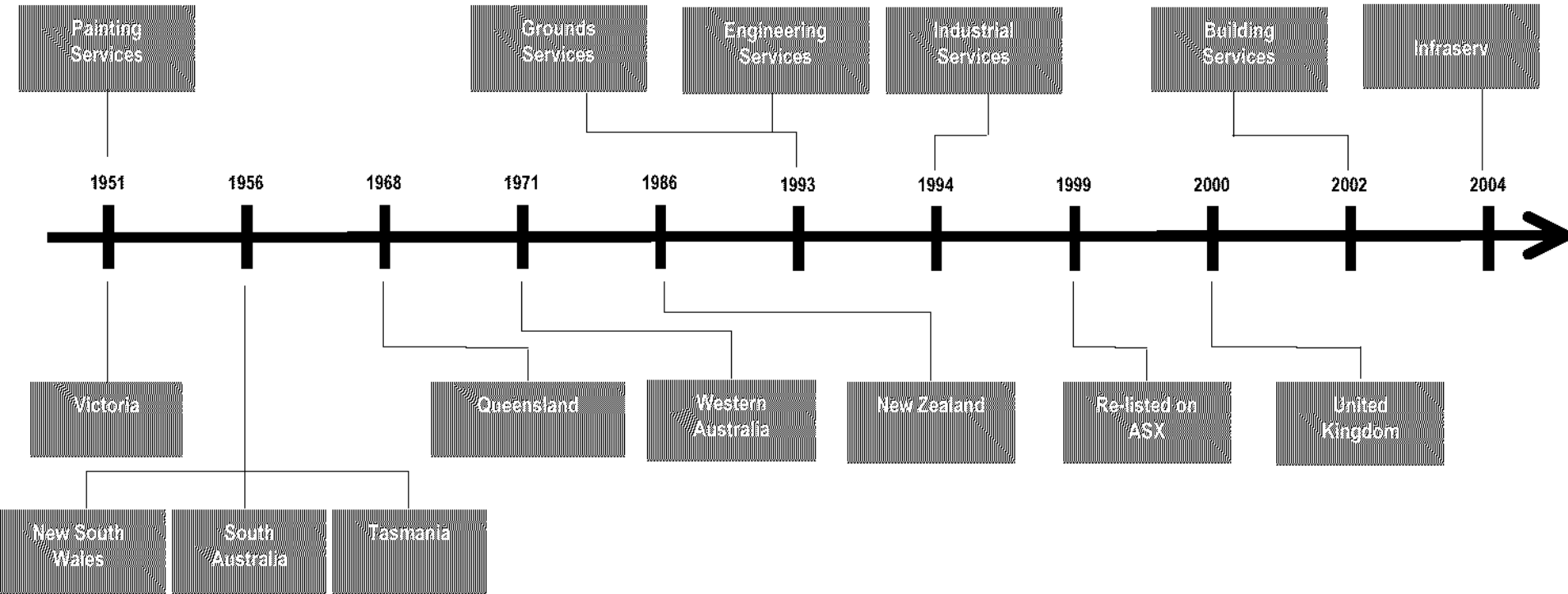
Group Structure & Locations



Hours Worked - Painting



Strategic Progression



Single Service Offering

Multiple Trade Offering

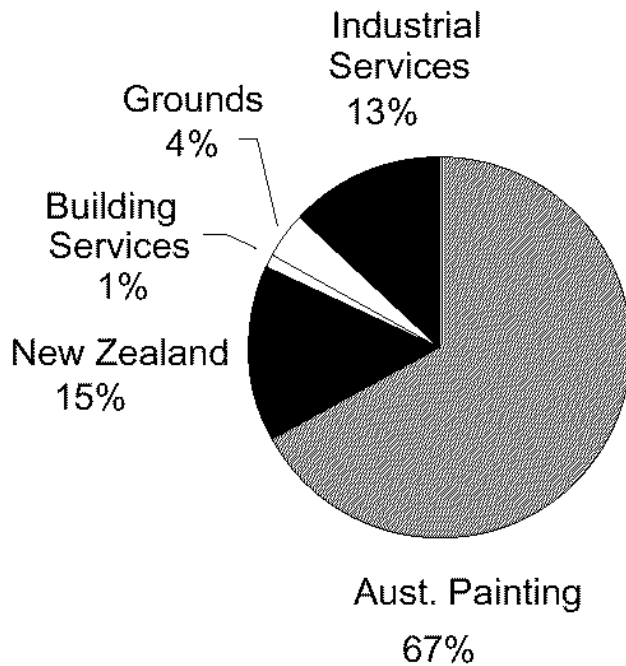
Integrated Service Provider

Benefits of Strategic Progression

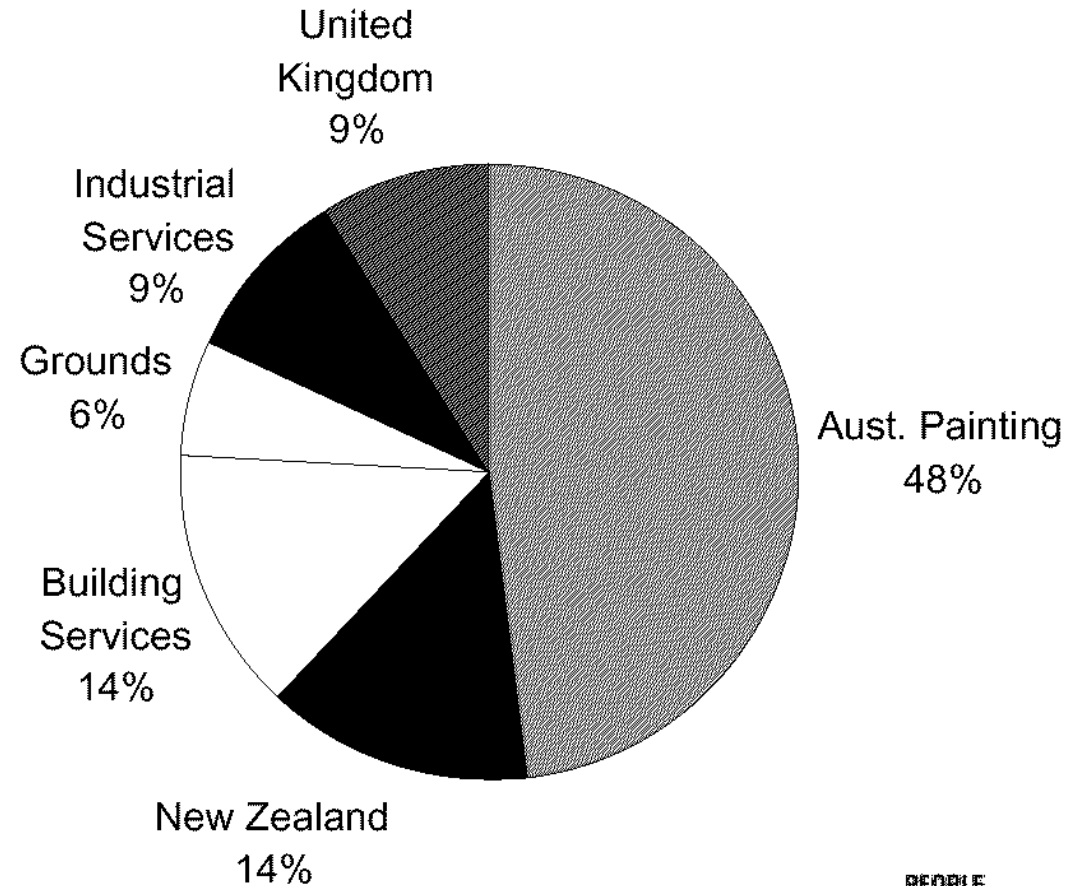
- Accelerating growth of group operations
- Increased marketing opportunities
 - to cross sell range of property services
 - facilitates property services from a single supplier
 - opportunity to expand our client base
- Reduction in business risk
- Improved opportunities for staff
- Improved financial measures
 - better operating cash flows
 - higher dividend franking capability

Revenue by Business

1998/1999 Revenue Segmentation
Revenue \$85M



2003/2004 Revenue Segmentation
Revenue \$206M



United Kingdom

Purchased Whittle Painting Group in 2000 for A\$3.0m

- one of the larger painting contractors in the UK with 200 employees
- annual revenue from “one off” contracts of £6m (A\$15m)
- maintenance painting only of non-residential buildings
- highly seasonal business, 70% of profits made in summer months

Programmes now nearly 20% of revenue

All regional branches profitable

Over 180 programmes sold to date

– total value of £5.8m (A\$14.5m)

**Over 110 programmes sold
in Education sector**



Infraserv



Five contracts purchased from Serco Australia Pty. Ltd.

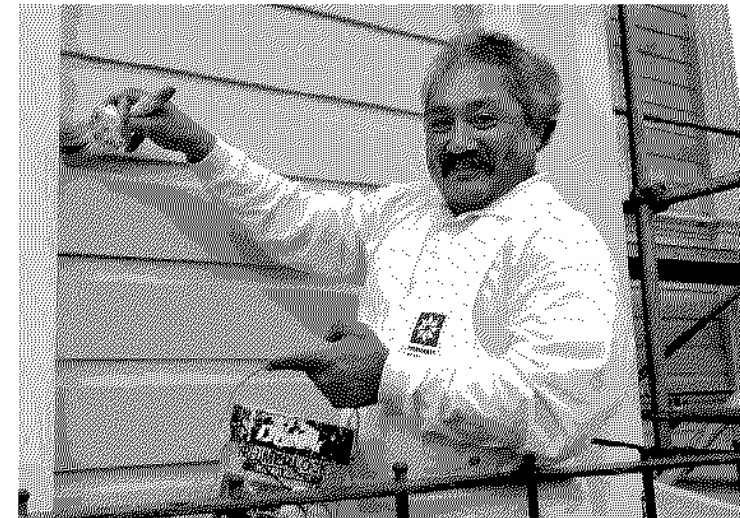
- four acquired on 1st July 2004
- one acquired on 1st September 2004
- annualised revenue of over \$20 million

Creation of “Infraserv”

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

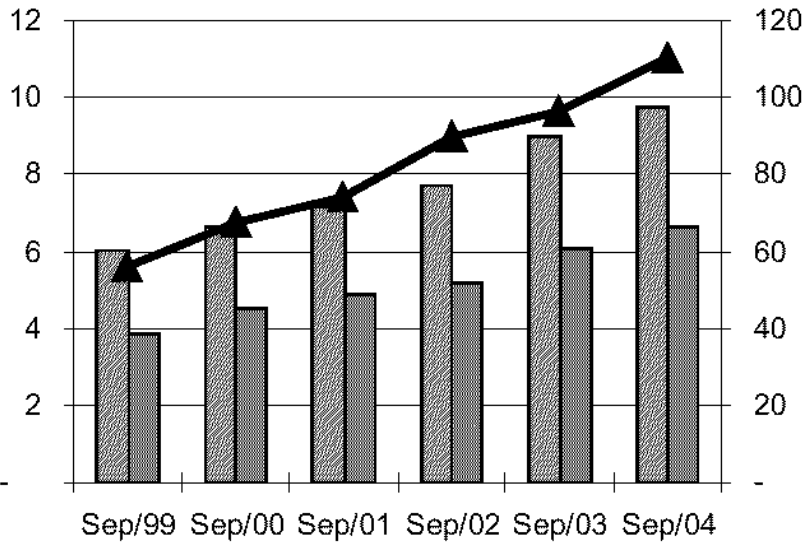
Highlights – Half Year to 30/9/04

- 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 UK programmes
- Acquisition of Serco contracts
- creation of 'Infraserv'



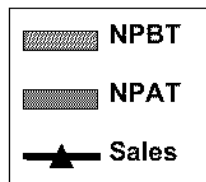
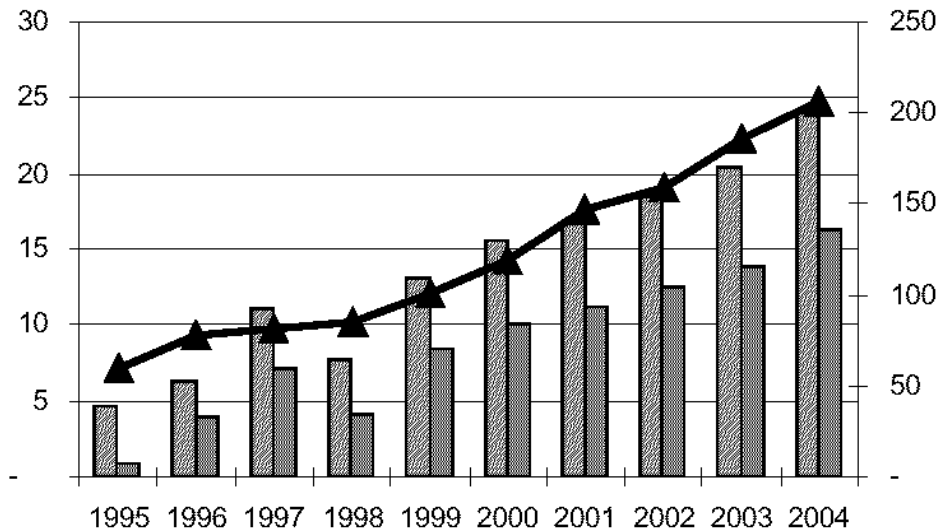
Consistent Growth

First Half Results



Annual Results

Y/E 31st March

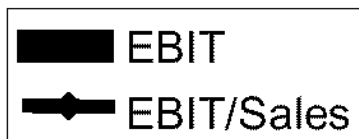
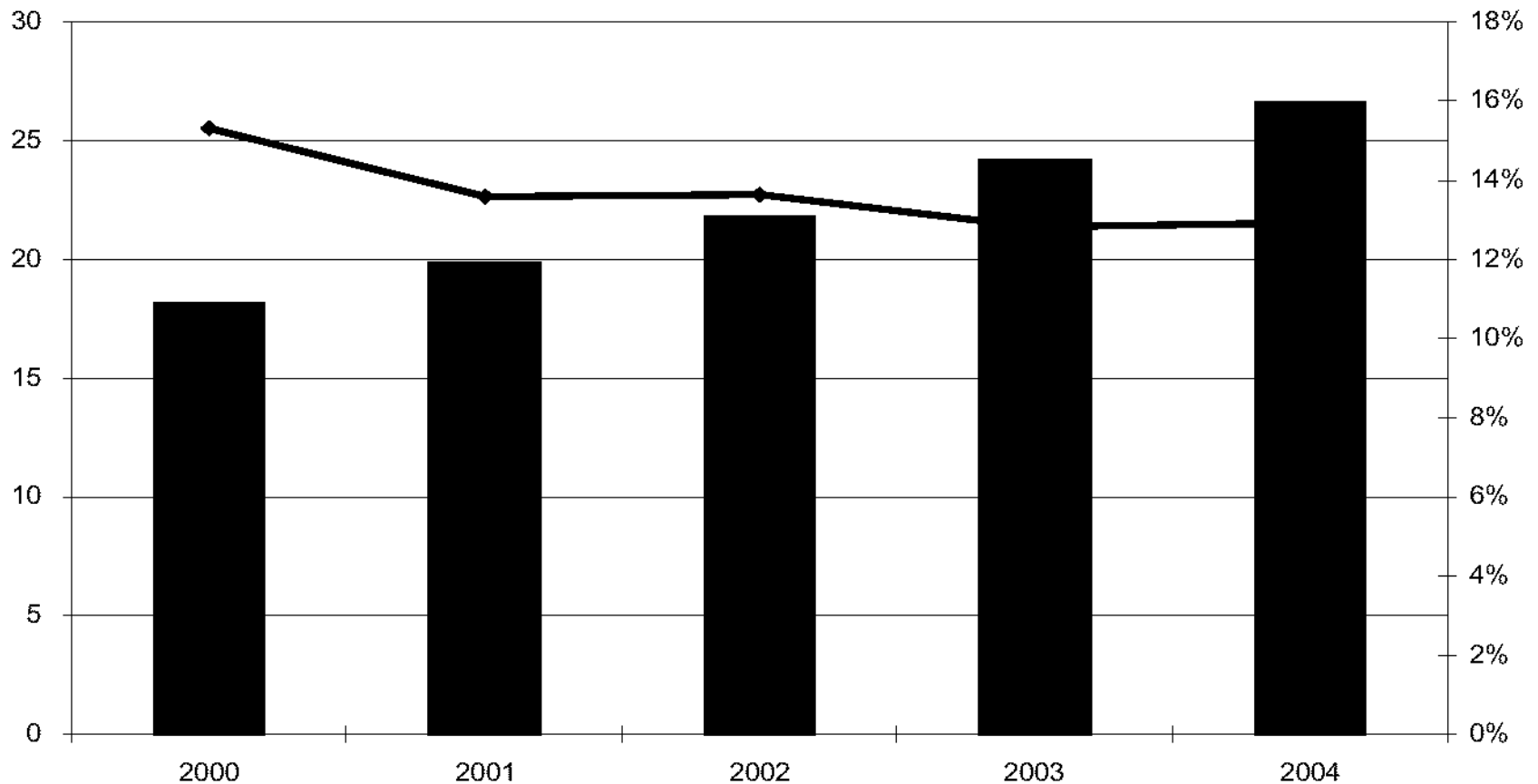


Profits - left hand axis in A\$m
Revenues - right hand axis in A\$m



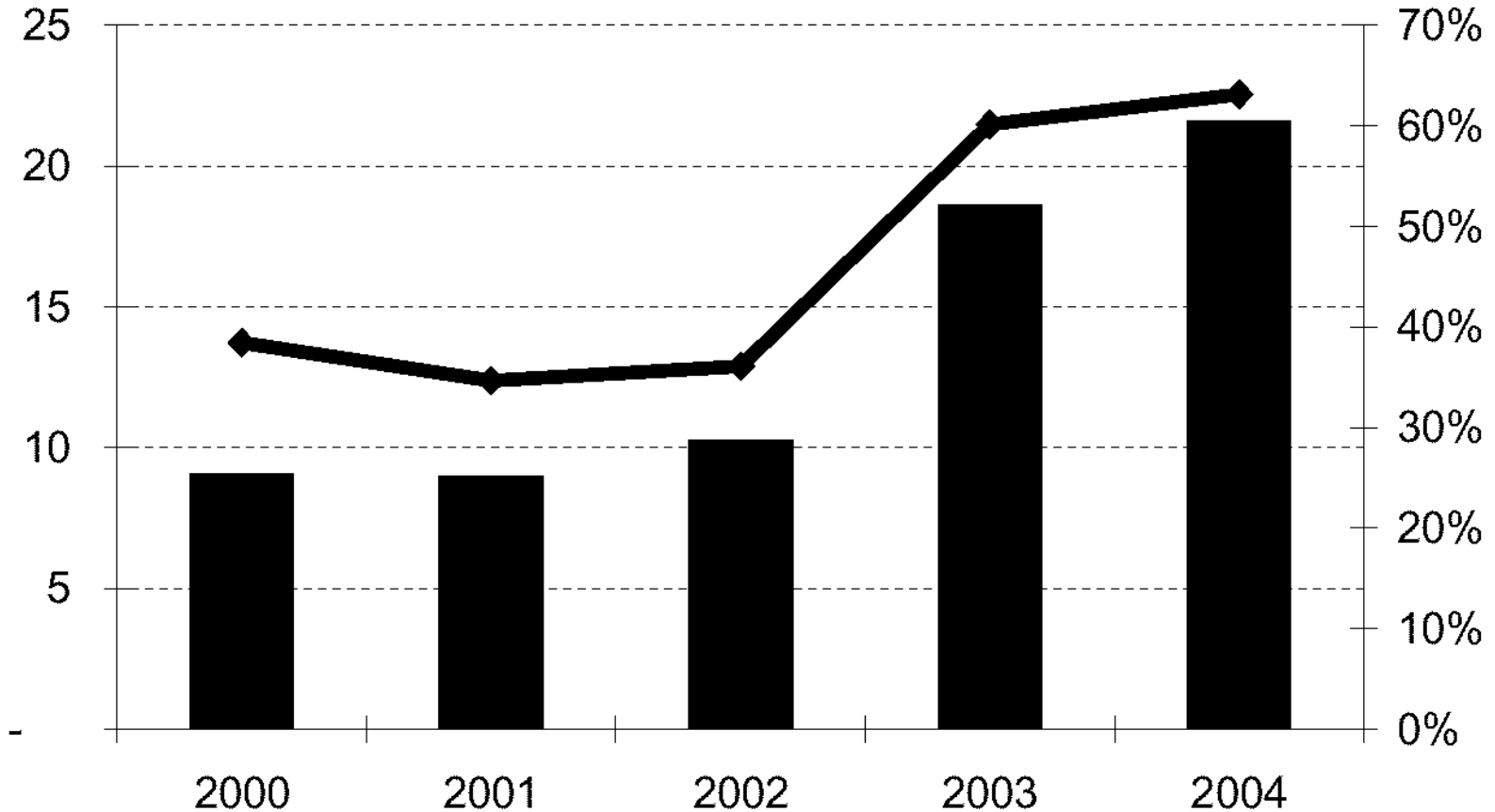
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Consistency of EBIT Margins



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

Improved Operating Cashflows

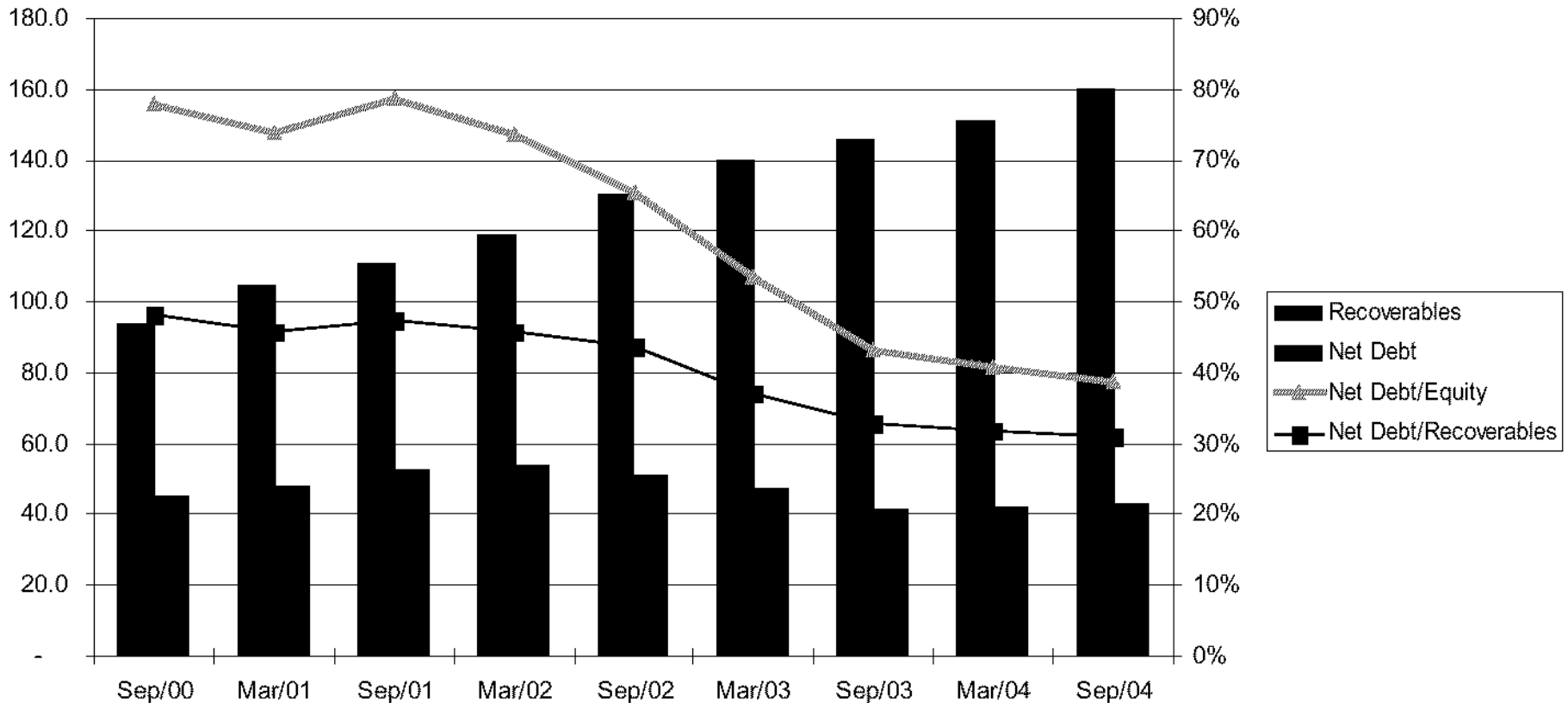


Gross Operating Cash Flows (GOCF) in A\$m



GOCF as a % of EBITDA

Recoverables, WIP & Net Debt



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

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

Comparison of 2004 data

	Revenue* 2004 \$m	EBIT* Margins 2004	NPAT* 2004 \$m	% Incr. in NPAT	NTA per Share	Div. per Share (cents)	P/E Ratio Dec-04
PRG	205.9	13.0%	16.3	17%	\$ 1.46	12.0	14.9
TEM	748.5	1.8%	(11.0)	(251%)	\$ (0.14)	6.5	-
UGL	1,077.6	3.9%	29.1	33%	\$ 0.88	28.0	18.6
SKE	735.9	3.4%	16.0	(3%)	\$ 0.43	16.0	14.2
SPT	2,452.4	3.1%	24.9	(35%)	\$ (0.38)	23.0	20.2
TSE	1,233.3	4.6%	33.6	25%	\$ 1.38	16.0	27.4

* PRG has 31 March year end, all others 30 June year end

Questions ?

