



**PROGRAMMED
MAINTENANCE
SERVICES**

**PEOPLE
TAKING CARE
OF PROPERTY**

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ASX Announcement

1 April 2005

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

Dear Sir,

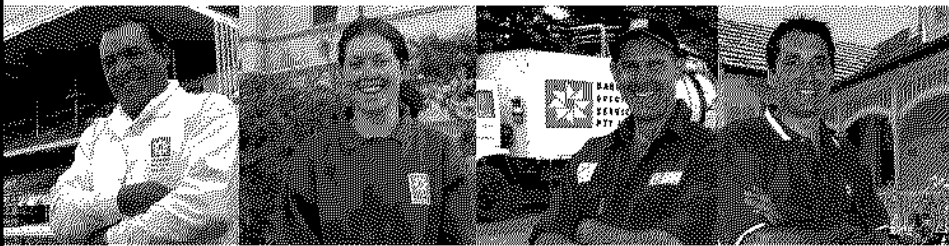
ANALYST PRESENTATION

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 organized by Lodge Partners at Portsea, Victoria.

Yours sincerely,
PROGRAMMED MAINTENANCE SERVICES LIMITED

Ian H. Jones
Secretary

PRESENTATION TO LODGE PARTNERS



"MID CAP CONFAB" – PORTSEA

Presented by
MAX FINDLAY, Managing Director



1 April 2005

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Agenda

- Business Overview
- Strategic Progression
- Creating Value
- Key Financial Results
- Future Outlook
- Comparison of 2004 data
- Questions



Business Overview

- The business was founded in 1951 as a painting business
- Floated on the ASX on 1st October 1999
 - Revenue grown from \$85m in 1999 to \$206m in 2004
 - Assets grown from \$114m in 1999 to \$223m in 2004
- 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 in Australia, NZ and UK
- Branch office network throughout Australia (40), NZ (14) and UK (5)
- Over 2,000 employees and 100 apprentices



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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



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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

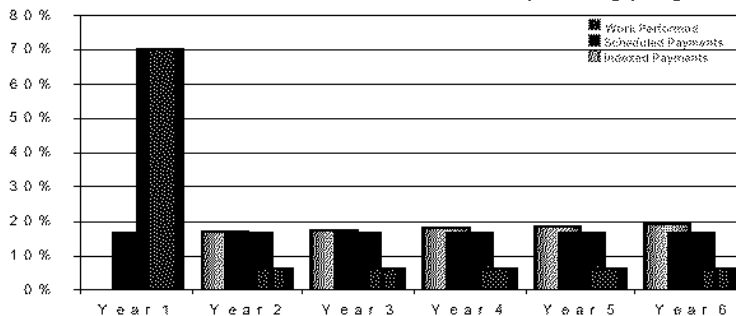


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Long Term Maintenance Painting Programmes

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

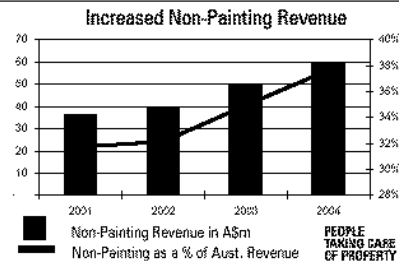
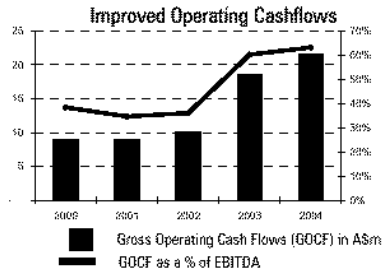


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Benefits of Growth Strategy

- Accelerating growth of group operations with service diversification
- 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



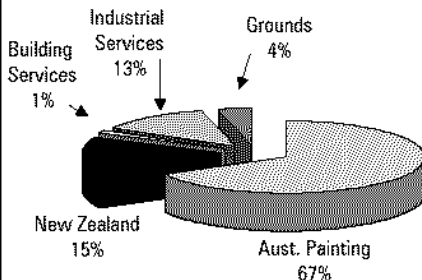
INCREASED SHAREHOLDER VALUE



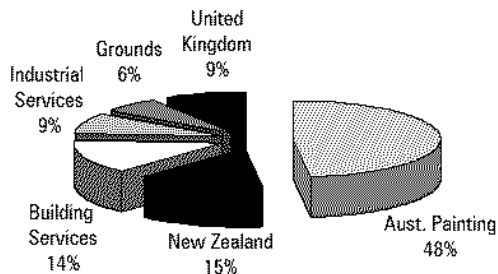
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Revenue by Segment

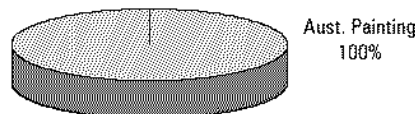
1999 Revenue Segmentation
Revenue \$85M



2004 Revenue Segmentation
Revenue \$206M



1988 Revenue Segmentation
Revenue \$46M



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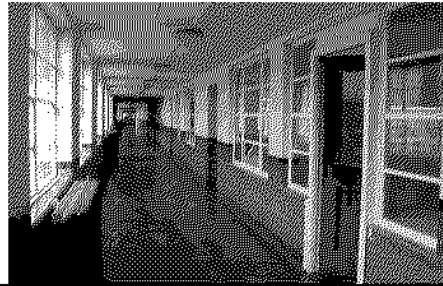
United Kingdom

- Purchased Whittle Painting Group in 2000 for A\$3.0m
- Programmes now nearly 20% of revenue
- All regional branches profitable
- Over 200 programmes sold to date – total value of £6.3m (A\$15.8m)
- Over 120 programmes sold in Education sector

Exterior – Earl of Derby residence



Interior – West Bridgford School



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Infraserv

Five contracts purchased from Serco Australia

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

Creation of "Infraserv"

- business model based on strategic alliances
- aim to grow business beyond purchased contracts

Infraserv WA

- Facilities management & building maintenance
- Justice
- Education
- Transport

One2real Whyalla

- Provision of Integrated Protective and emergency services (24 x 7)

City West Water

- Integrated Alliance
- Civil, mechanical & electrical maintenance

Yatourn Estate Services

- Integrated Alliance
- Integrated protective, emergency and facilities management services = Total Estate Services.

Frankston City Council

- Building Maintenance and Facilities maintenance



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Creating Value

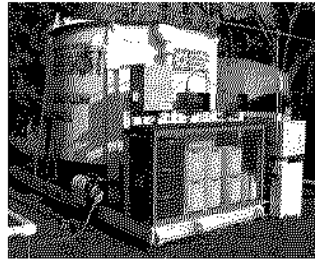
Environmental Innovation

City of Port Phillip & Telstra Water Treatment



Greenfields project: Recycling Telstra pit water

The Greenfields project is a joint venture between the City of Port Phillip and Telstra. It involves the recycling of pit water from Telstra's network of pits. The project is a significant environmental innovation, as it allows for the reuse of water that would otherwise be lost. This not only reduces the environmental impact of the project but also provides a cost-effective solution for the City of Port Phillip. The project is a testament to the power of collaboration and innovation in addressing environmental challenges.



- Recycling pit water
- Customer environmental benefits
- Cost reduction
- Sporting community benefit
- Triple Bottom Line

Creating Value

Leading Edge Technology - Safety and Environment

Non Destructive Digging



Above; Massive loss of water highlights the dangers of unverified digging.

- Process of digging pilot holes using air or water
- Vacuuming debris into holding tank
- Eliminates problem of damaging buried services
- Only reliable method of verifying exact location of services

Creating Value

Partnership achieves Vision for PMS/ SAHT

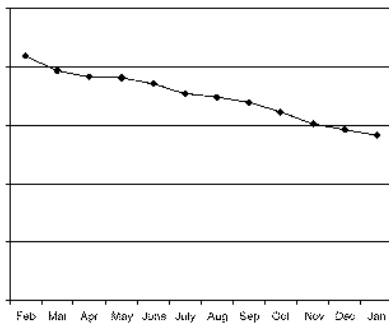


Service Extended to other Agencies

- Partnership approach
- Vision about achieving overall improvement in service to community
- Budget parameters mutually discussed and agreed annually.
- PMS have direct access to SA Housing Trust mainframe for records and project management and response maintenance update
- Balanced score card included clear KPI's and site audits
- Achieved each audit and bonus

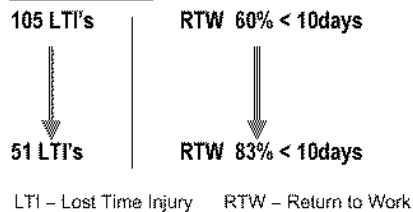
Occupational Health & Safety (OH&S)

Improvement in LTIFR



LTIFR - Lost Time Injury Frequency Rate
- measured per million hours worked

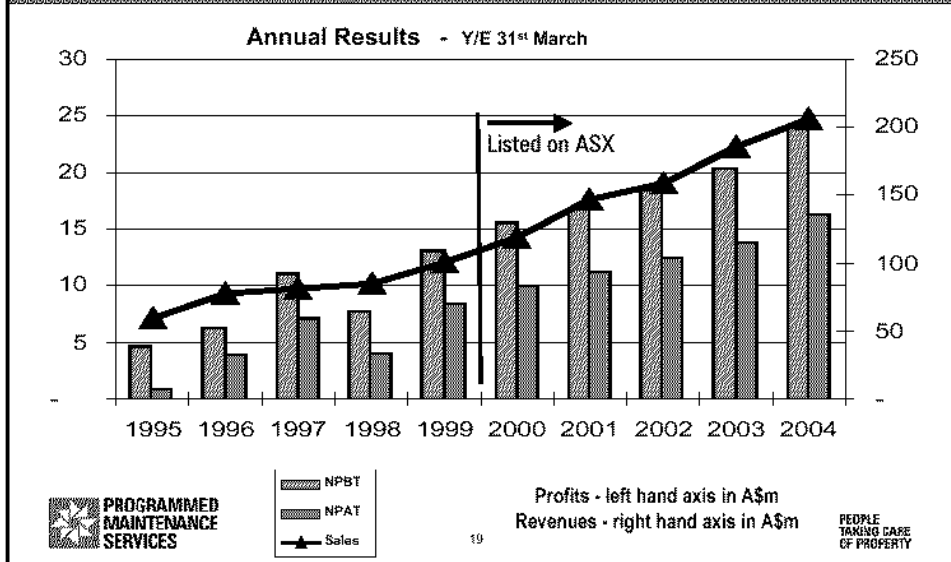
PAST 3 YEARS



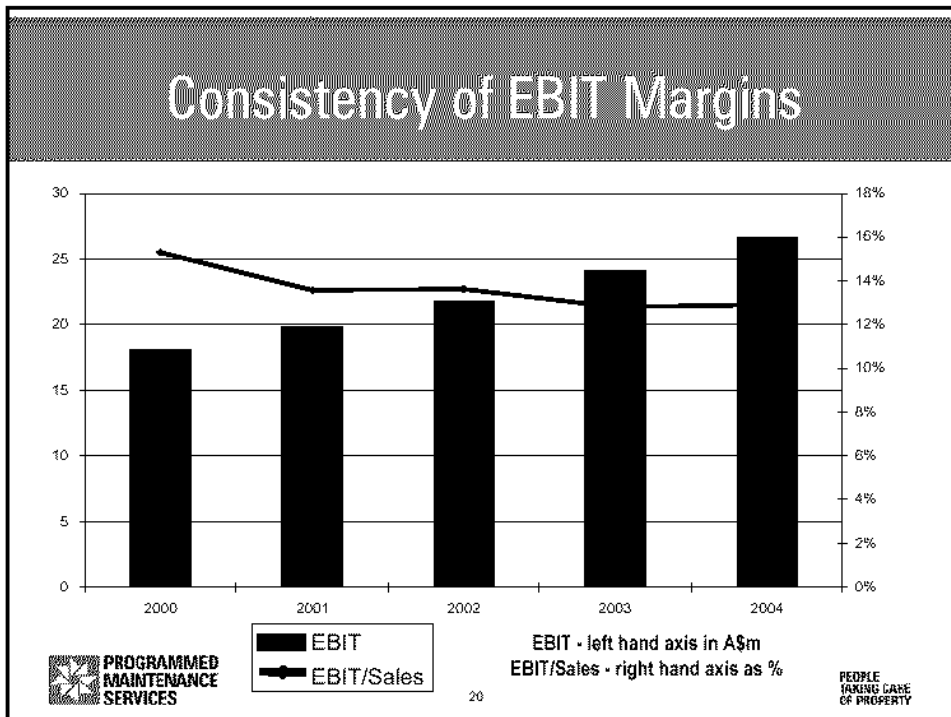
PREVENTION

- Safety Culture
- Proactive Injury Management
- Vigorous injury & risk investigations

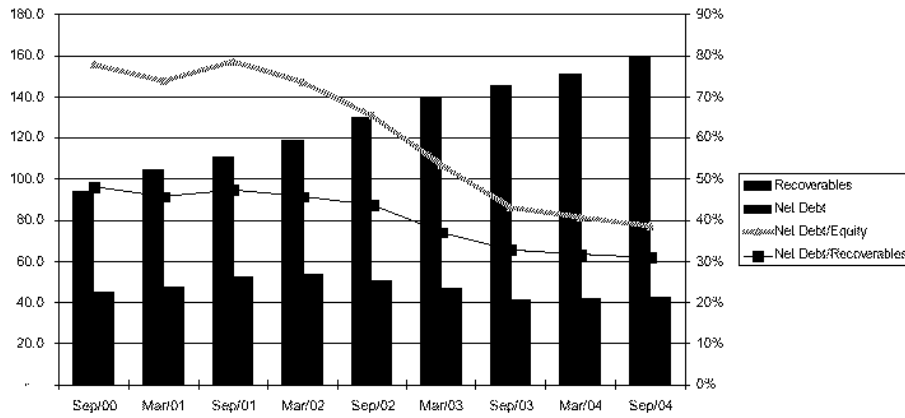
Consistent Growth – PMS Group



Consistency of EBIT Margins



Recoverables, WIP & Net Debt

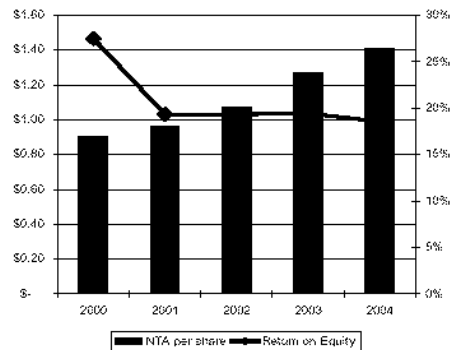
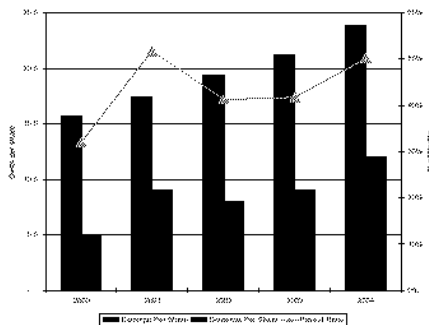


Work in Progress included in Recoverables from 2002, following change in accounting policy

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Shareholder Returns

	2000	2001	2002	2003	2004
Earnings per Share (Basic EPS - cents)	15.7	17.4	19.4	21.2	23.9
Growth in EPS		10.8%	11.4%	9.5%	12.7%



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Future Outlook

- Growth in profit after tax for year ended 31st March 2005 projected to be 11% to 13%
- 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
- Reviewing potential acquisitions in allied businesses



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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 Mar-05
PRG	205.9	13.0%	16.3	17%	\$ 1.46	12.0	13.4
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	22.9
SKE	735.9	3.4%	16.0	(3%)	\$ 0.43	16.0	14.9
SPT	2,452.4	3.1%	24.9	(35%)	\$ (0.38)	23.0	20.1
TSE	1,233.3	4.6%	33.6	25%	\$ 1.38	16.0	30.0



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

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Questions ?



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