

**PROGRAMMED
MAINTENANCE
SERVICES**

**PEOPLE
TAKING CARE
OF PROPERTY**

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ASX Announcement

18 April 2007

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

Dear Sir,

ANALYST PRESENTATION

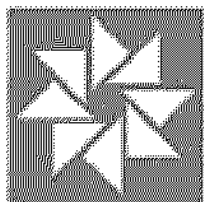
Please find attached a copy of the presentation to be given later today by Mr. Max Findlay, Managing Director of Programmed Maintenance Services Limited to a group of fund managers and investment analysts at the UBS Emerging Companies Conference in Sydney.

Yours sincerely,

PROGRAMMED MAINTENANCE SERVICES LIMITED

Ian H. Jones
Secretary

UBS Emerging Companies Conference 18 April 2007



**PROGRAMMED
MAINTENANCE
SERVICES**

Max Findlay, Managing Director

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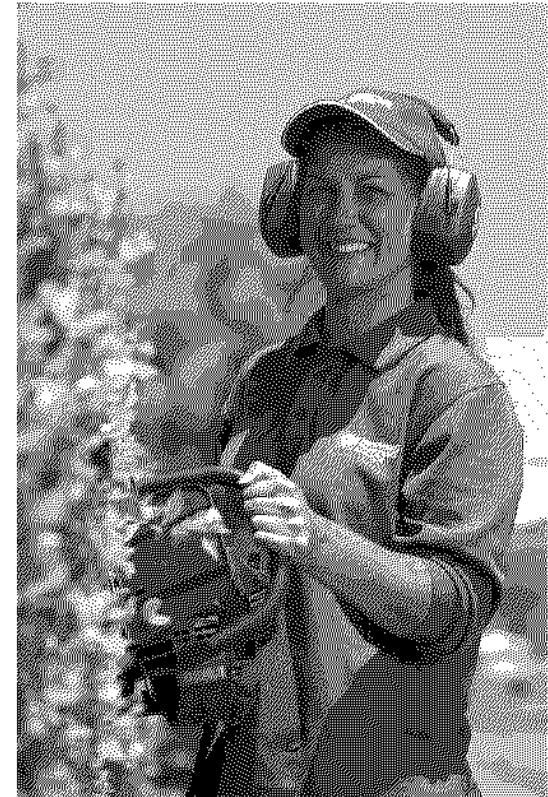
Before making an investment decision, you should consider, with or without the assistance of a financial adviser, whether an investment is appropriate in light of your particular investment needs, objectives and financial circumstances. Past performance is no guarantee of future performance.

Further information in relation to the proposed merger between Integrated Group Limited ("**Integrated**") and Programmed and details relating to the Scheme of Arrangement in relation to that merger can be found in the Scheme Booklet dated 2 April 2007.



Agenda

- Business Overview
- Core Strengths of PMS Group
- Consistent Long-term Performance
- Strategic Direction – PMS Group
 - Strategic Progression
 - Strategic Development
 - Current Strategies
- Merger with Integrated Group
- Forecast 31/3/07 Financial Results



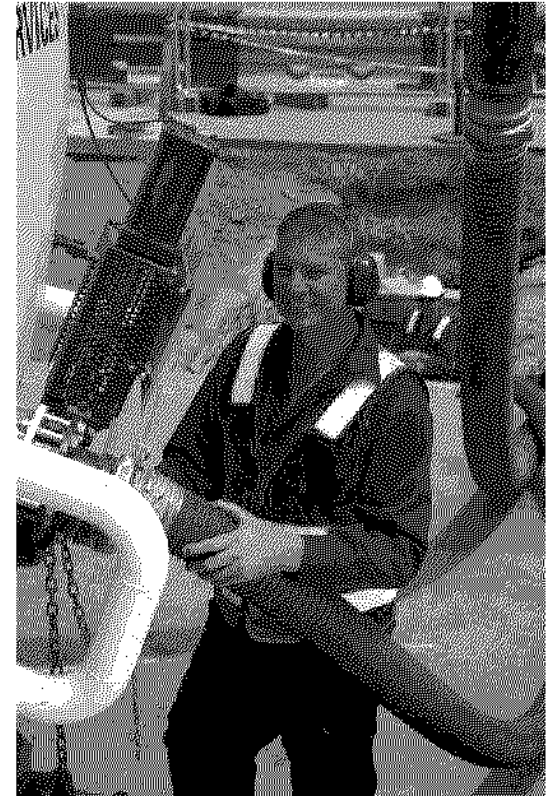
Business Overview

- The business was founded in 1951
- Floated on the ASX on 1 October 1999
- Largest contract painting business in Australia and New Zealand, with a growing contract painting business in the United Kingdom
- One of Australia's largest grounds management businesses with over 200 employees
- An integrated building services business, maintaining a range of property assets



Business Overview (continued)

- Industrial services business providing industrial and underground asset maintenance services
- Infracore business providing infrastructure services through strategic alliances with customers
- Operations management and consulting provided by Tungsten Group
- Currently maintain over 60,000 buildings & structures for over 5,000 customers throughout Australia, NZ & the UK
- Branch office network in Australia (over 35), NZ (14) & UK (8)
- Over 2,500 employees and 150 apprentices



Core Strengths

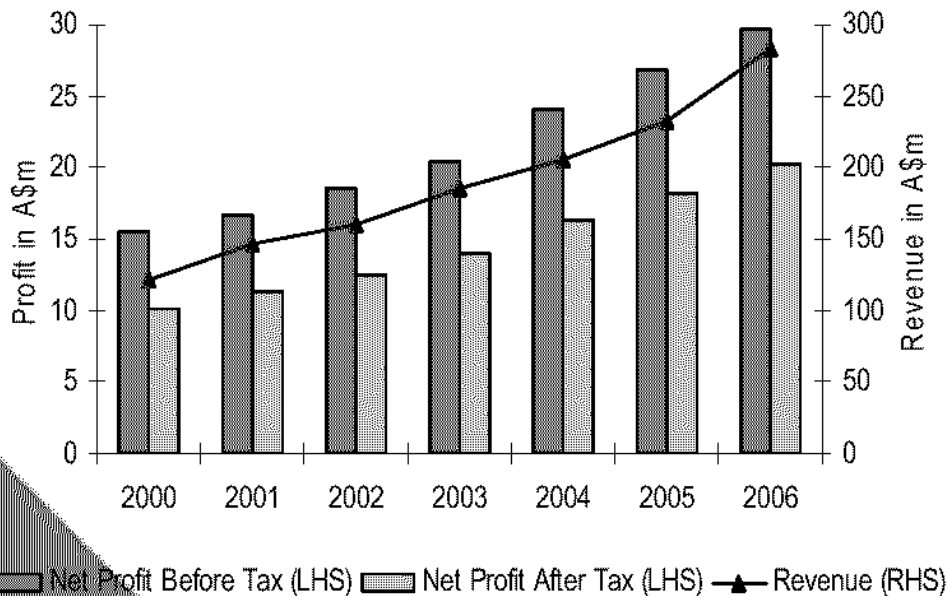
- Blue chip customer base spread across a range of market segments – less than ten customers having more than 1% of revenue individually
- Focused on outsourcing of property maintenance services, not new construction or residential services
- Long term revenue streams to provide future earnings
- Proprietary 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



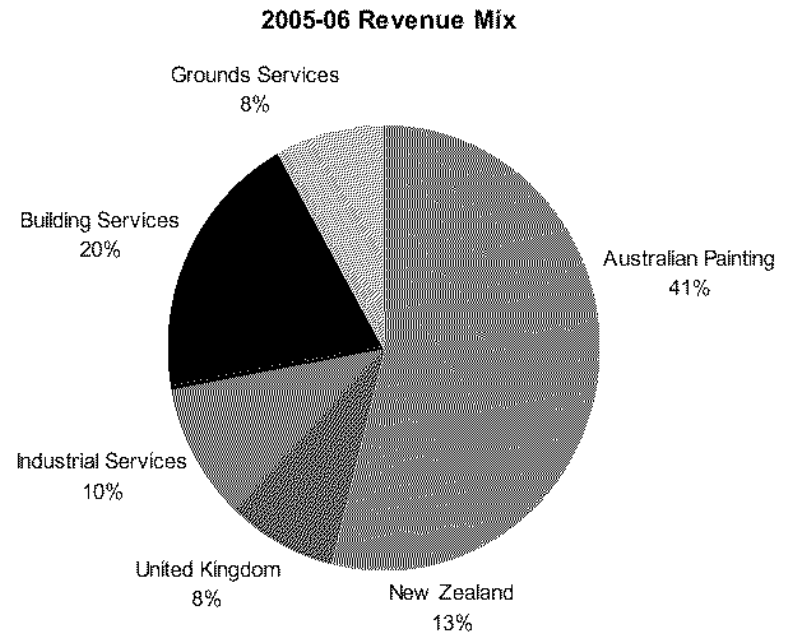
Consistent Long Term Performance

- FY06 marked Programmed's 8th consecutive financial year of earnings growth
- Programmed is one of only 27 Australian companies included in *Forbes Asia's* list of best 200 companies with sales under \$1 billion

Strong history of consistent earnings growth



Well diversified earnings



Source: Programmed's Annual Reports and Results Presentations

Consistent Long Term Performance

Programmed's strong performance over the years has been driven by 5 key factors



Broad range of services covering property and infrastructure maintenance, enhancement, management, monitoring and consultancy services



Strong customer relationships with some of Australia's largest enterprises and institutions and government departments, underpinned by long term contracts and unique service partnerships



Focused strategy – maintain existing infrastructure, rather than participate in property construction; add value to customers by providing tailored facilities management solutions, not just property services



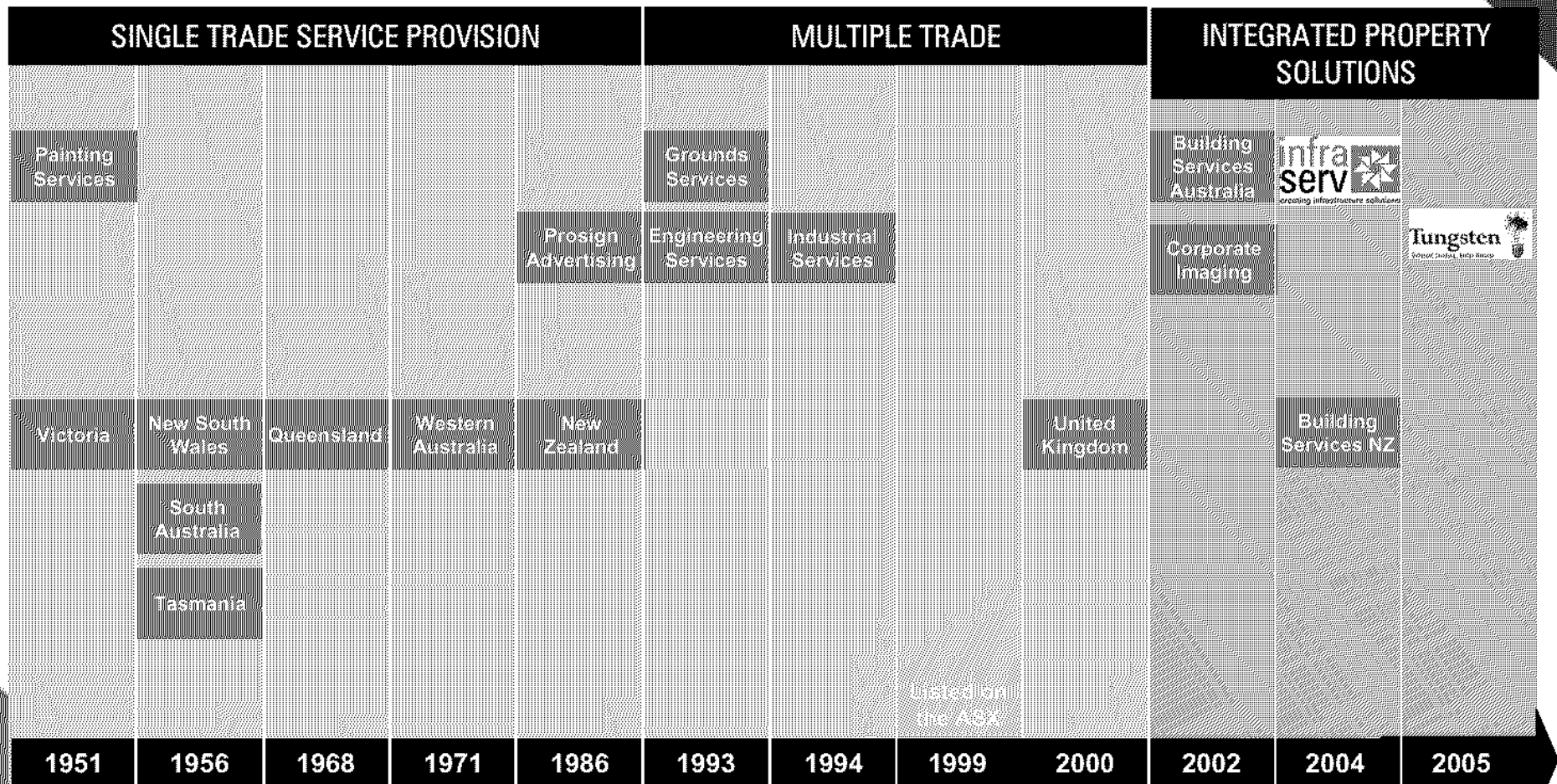
Experienced and dedicated management team – senior management team members average over 15 years of experience



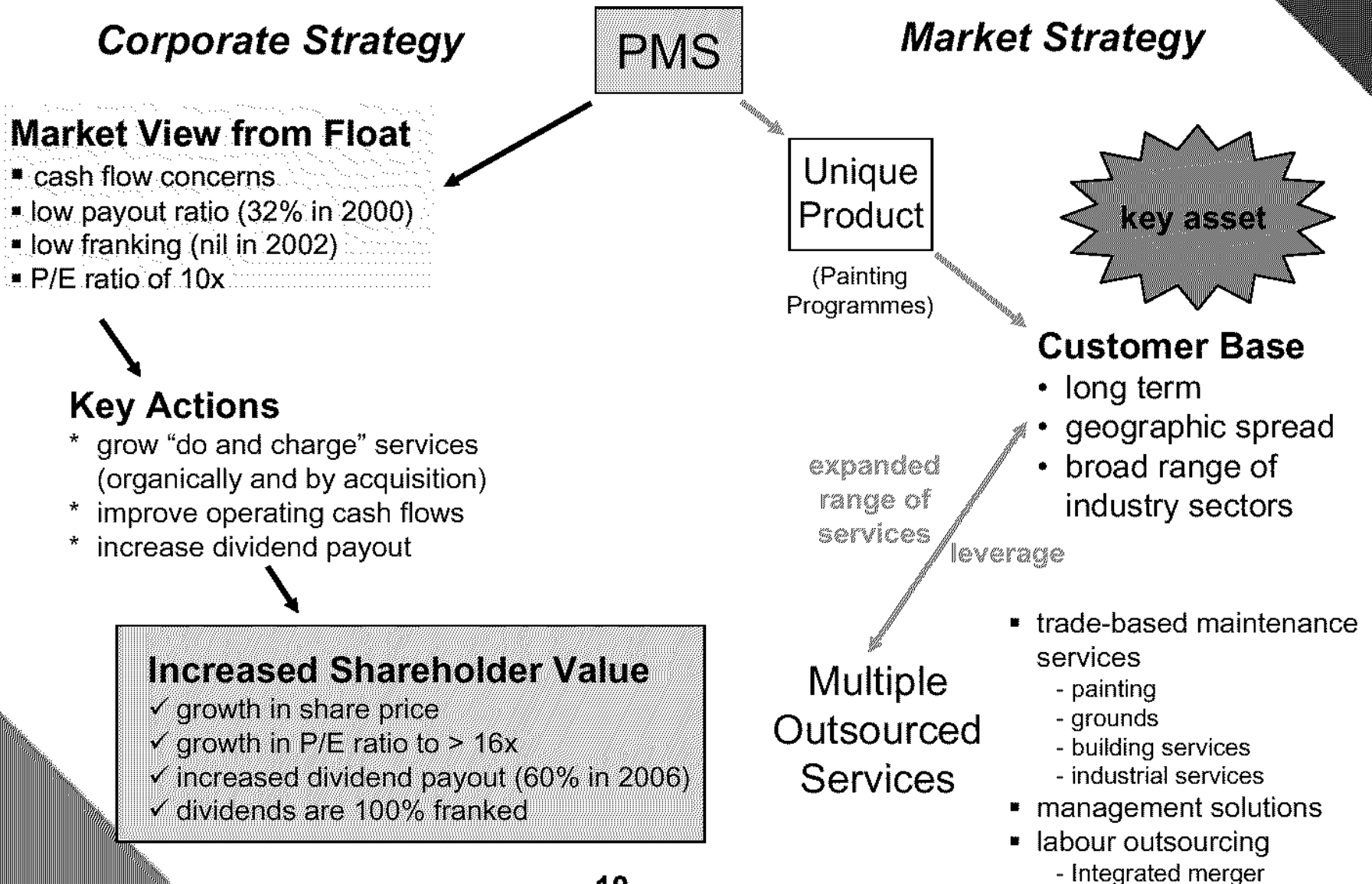
Strong Industry Fundamentals – growing trend towards compliance and outsourcing of non-core operating functions – Programmed is well placed to capitalise on this trend



Strategic Progression

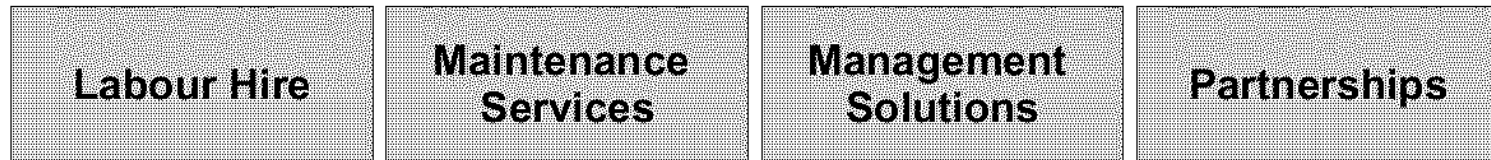


Strategic Development



Services Supply Chain

- Outsourced trade-based labour services represents a logical area of expansion for PMS along the outsourced services supply chain
- Provides scope to add customer value through bundling of services from outsourced labour services to full maintenance and facilities management solutions



- Providing a workforce
- Spot buys
- Individual labour hire at customers request
- Time & materials
- Scope of skills (trade, engineering, project management)

- Single or multiple services
- One-off events as well as programmes
- Local and national
- Low tech & high tech

- Managed outsourced solutions
- Long-term and integrated
- Multi-services
- Alliance model

- Public Private Partnerships (PPP)
- Corporate Real Estate (CRE)
- Complex and large solutions
- Large national customers
- Possible funding stake
- Very long term (>15 years)



Core Business Strategy

Grow Organically and through Acquisition

- Expand our range of services to existing geographical markets by acquiring new businesses and expanding existing service lines



Six Key Strategies

- **Acquisition Strategy:** Grow through acquisition to expand service offering in existing geographical markets
- **Market Strategy:** Aggressive organic growth through a coordinated approach to market that drives services through existing customers as well as new customers
- **Branding Strategy:** Communicate our business direction internally and externally
- **People strategy:** Engage our people to drive the business by successfully attracting, developing and retaining our people
- **I.T Strategy:** Create systems to support our business direction
- **Realignment strategy:** Align structure to the direction of the new business



Highlights - Integrated Merger

- Programmed believes its proposal to merge with Integrated is highly compelling
 - ✓ Substantial premium offered for Integrated shares
 - ✓ Superior growth prospects
 - ✓ Creates a much larger listed company, with greater market relevance and liquidity
 - ✓ Unanimously recommended by Integrated's Board (in the absence of a superior proposal)
 - ✓ Independent Expert believes the Scheme is in the best interests of Integrated shareholders
 - ✓ No competing offer has emerged or is likely to emerge
- The merger has strong strategic rationale and will create a new national force in workforce, facilities management and maintenance solutions

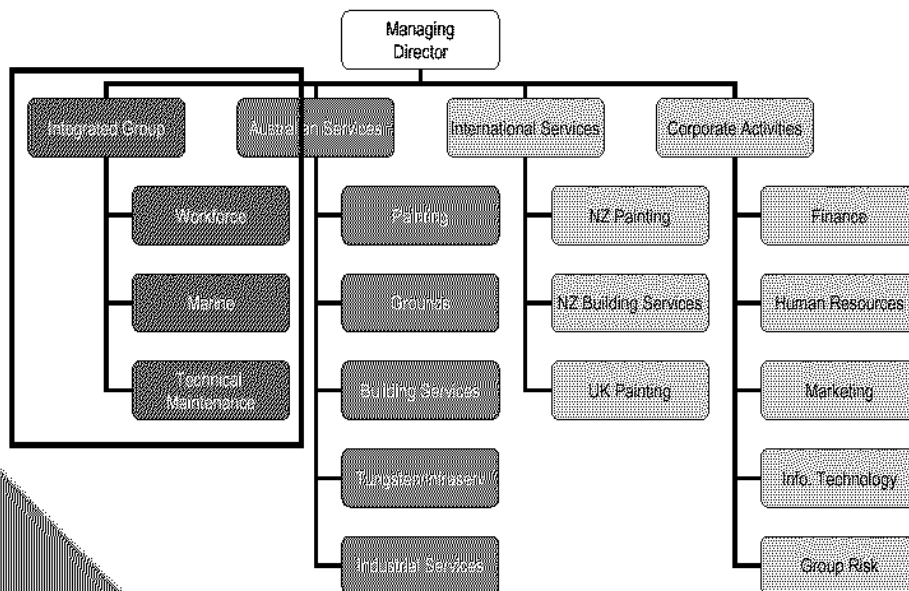


Profile of Merged Group

How will Programmed Look Post-Merger?

- Integrated will become a separate division of Programmed which will continue to be led by Managing Director Max Findlay
- Total workforce will exceed 9,500 employees worldwide

Post-Merger Divisional Structure



Key Points

- ✓ No significant changes to Integrated's management or operational activities – Integrated's front-line operations will remain separate
- ✓ Neil Hamilton and Jon Whittle will join the Board – providing additional management depth
- ✓ Cost savings of \$2.5 - \$3.0 million within 2 years
- ✓ Joint Integration Management Group has been established to ensure smooth integration and maximise operational cost savings
- ✓ New incentive scheme will be established for key management of both companies

Source: Scheme Booklet, page 68.

Financial Summary of Merged Group

- 18.8 million new Programmed shares will be issued to Integrated shareholders
- \$96.5m of additional borrowings to fund cash component and transaction expenses
- Programmed's current policy is to pay **60% of net after tax profits as dividends**

Summary Merged Group Proforma Balance Sheet (\$m)	
Cash & Cash Equivalents	10.8
Trade and Other Receivables	291.1
PPE	52.1
Goodwill and Other Intangibles	188.7
Other Assets	41.9
Total Assets	584.6
Borrowings	215.9
Other Liabilities	144.2
Total Liabilities	360.1
Net Assets	224.5
Gearing (ND/ND+E)	48%

Summary Merged Group Proforma Income Statement (\$m)		Financial Year ending 31 March 2007
Revenue		801.4
EBITDA		74.2
<i>EBITDA Margin</i>		9.3%
D&A		(14.9)
Total Interest Expense		(15.0)
PBT		44.3
Income tax expense		(14.0)
NPAT		30.3
<i>NPAT Margin</i>		3.8%
Shares on issue		90.0m
Fully Diluted EPS (\$)		0.34

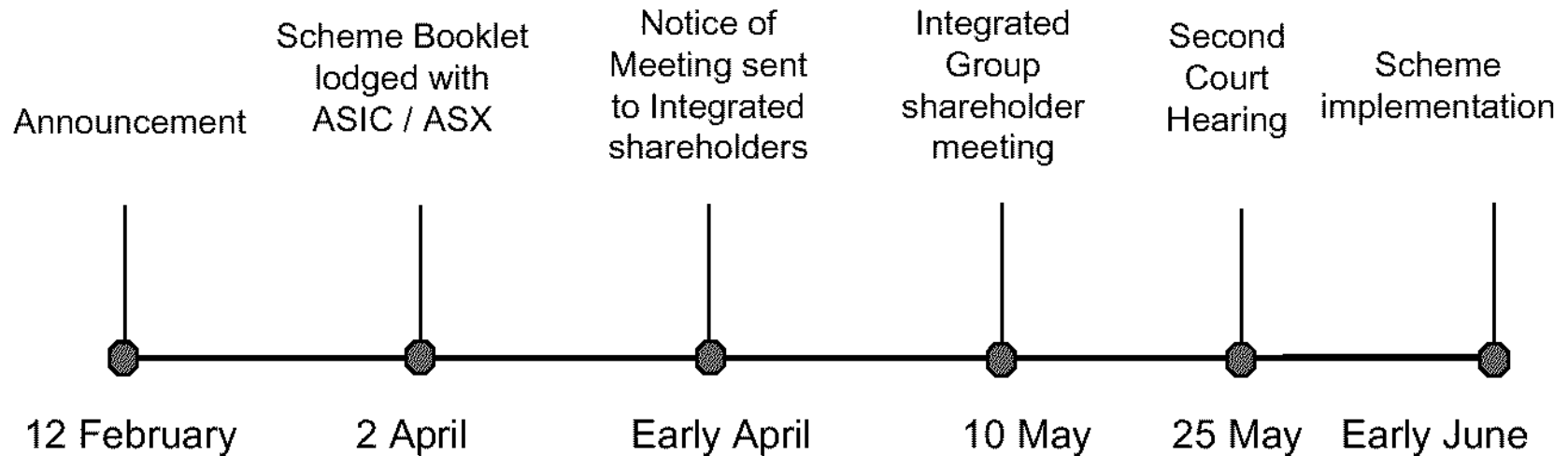
Source: Financial data extracted from Scheme Booklet, in particular pages 72 and 76. Note, the pro forma balance sheet for the Merged Group is intended to show the impact of the transaction on Programmed and has been compiled using the 30 September 2006 balance sheet for Programmed and the 31 December 2006 balance sheet for Integrated (which have both been subject to audit review)



Key Dates

Scheme meeting scheduled for 10 May with completion anticipated early June

Indicative Timetable



Forecast 31/3/07 Results

A\$m

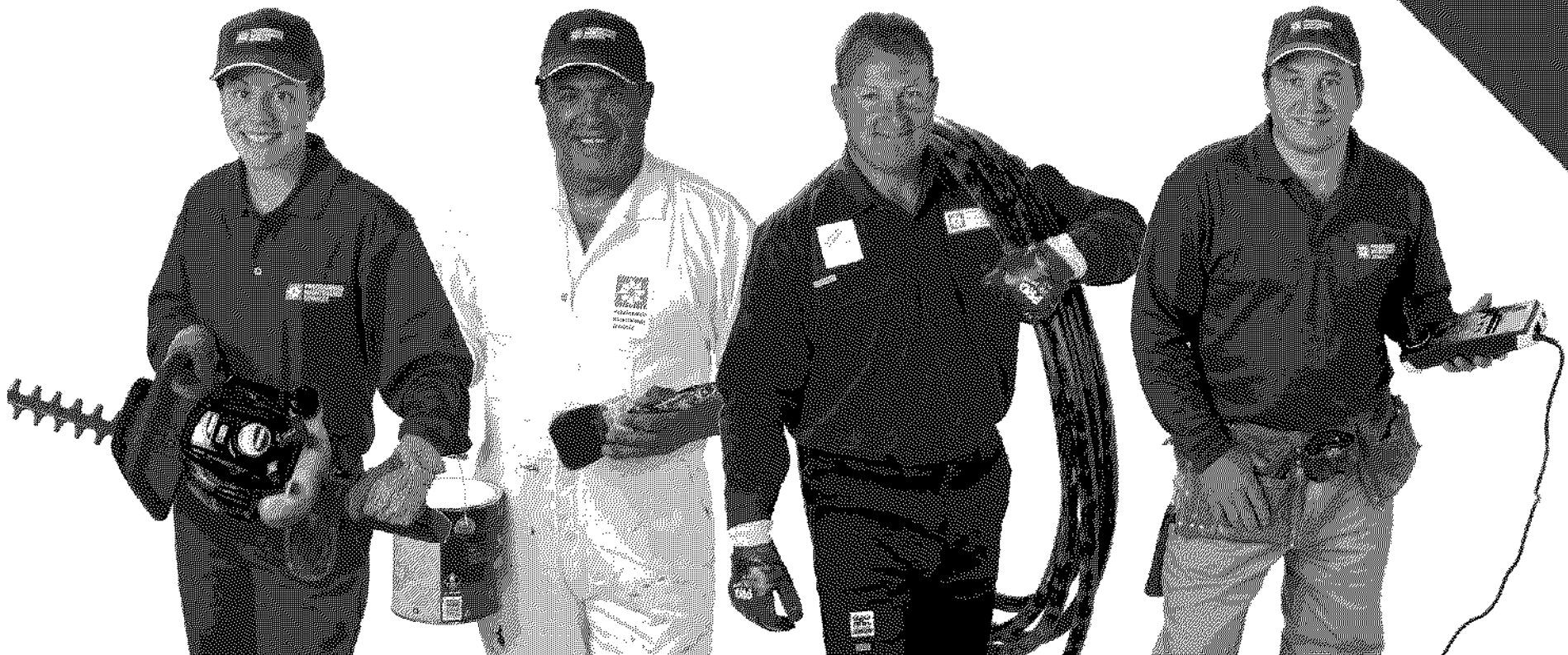
Revenue	330.7
EBITDA	50.2
Depreciation & Amortisation	(11.7)
EBIT	38.5
Net Interest Expense	(5.9)
Profit before Income Tax	32.6
Income Tax Expense	(10.3)
Profit after Income Tax	22.3

Shares on Issue (million)	71.2
Earnings per Share (\$)	0.21

- The Australian property maintenance division is projecting strong revenue and earnings growth led by the painting business;
- The Industrial Services business continues to be impacted by drought conditions leading to lower utilisation of equipment;
- The New Zealand results have been adversely impacted by poor weather & negative movements in the NZD exchange rate; and
- The United Kingdom made the vast majority of earnings in the first half of the year.

PMS 2007 results announcement – Wednesday 30 May





Questions?

