

# ASX Announcement

6 May 2004

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

Dear Sir,

## ANALYST PRESENTATIONS

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 at a conference organised by Macquarie Research Equities.

Yours sincerely,

**PROGRAMMED MAINTENANCE SERVICES LIMITED**

A handwritten signature in black ink that reads "Ian H. Jones". The signature is written in a cursive, flowing style.

Ian H. Jones  
Secretary

# MACQUARIE RESEARCH EQUITIES

## Emerging Leaders Conference 2004



## Programmed Maintenance Services Limited

Presented by  
**MAX FINDLAY, Managing Director**



**6 May 2004**

**PEOPLE  
TAKING CARE  
OF PROPERTY**

# Agenda

- **Company Profile**
- **Group Structure & Locations**
- **Strategic Progression**
- **Changes in Revenue Mix and Cashflows**
- **Forecast Profit for Year Ended 31/3/04**
- **United Kingdom Operations**
- **Serco Opportunity**
- **Future Outlook**

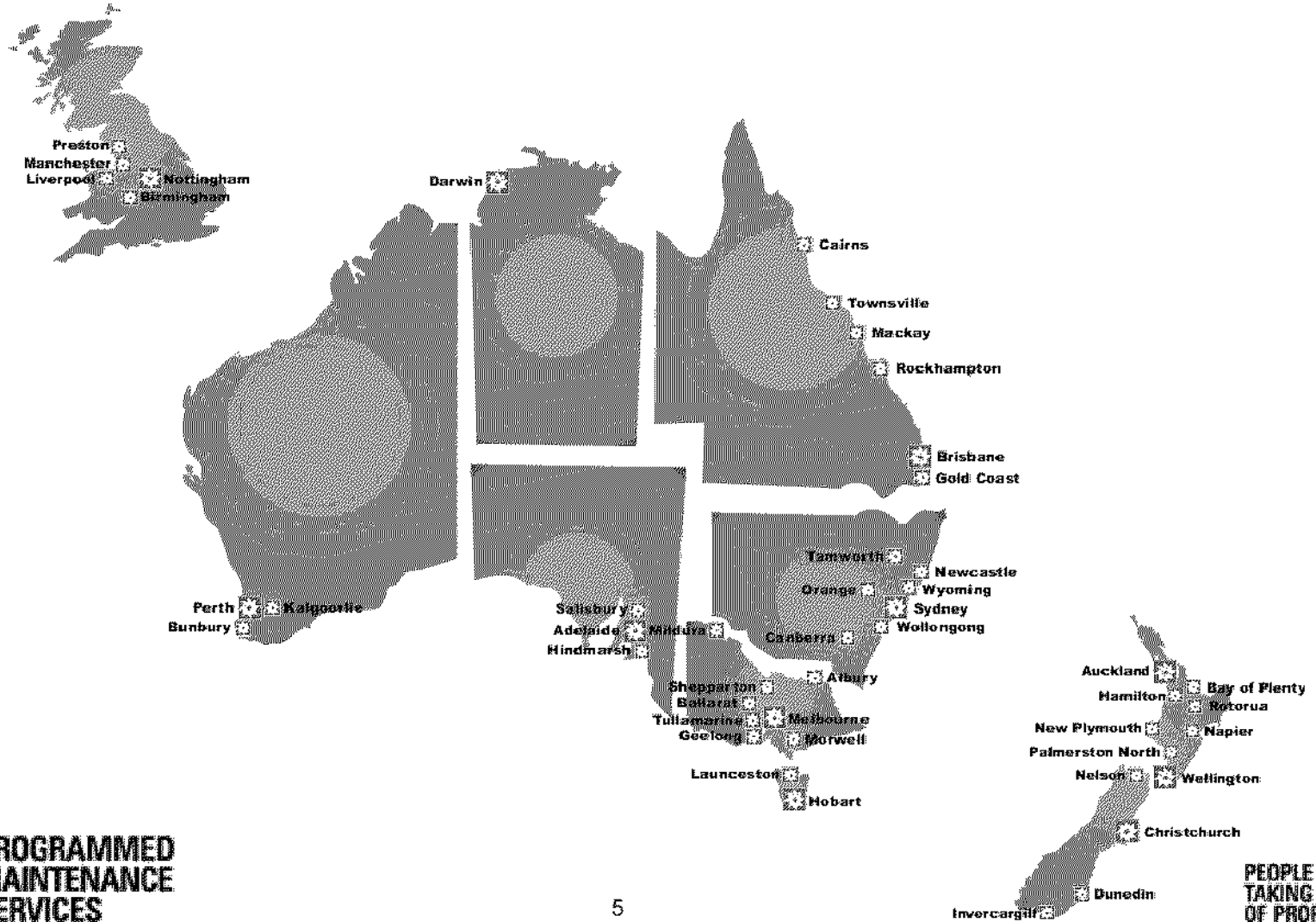
# Company Profile

- **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**

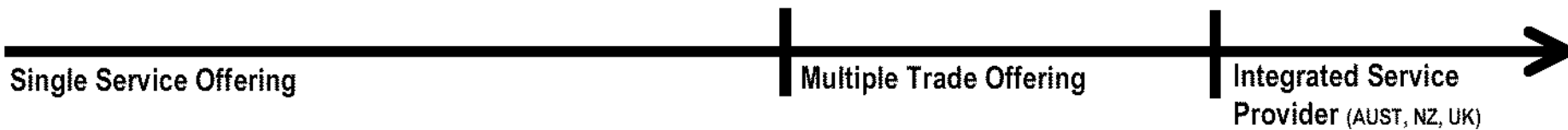
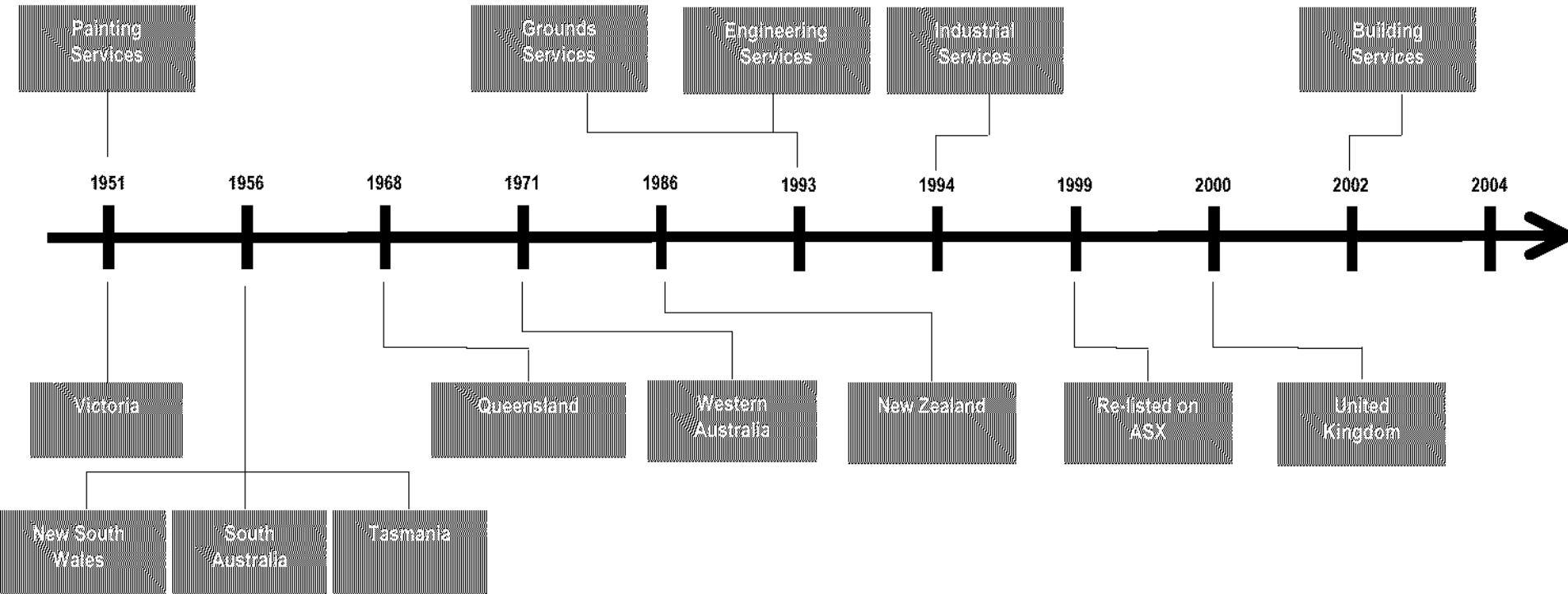
# Company Profile – cont'd

- **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 (14) and UK (5)**
- **Over 2,000 employees and 100 apprentices**

# Group Structure & Locations



# Strategic Progression



# 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

**INCREASED SHAREHOLDER VALUE**



# Revenue by Business

**1998/1999 Revenue Segmentation**  
**Revenue \$85M**

**2003/2004 Revenue Segmentation**  
**Forecast Revenue (>\$200M)**

Painting\_Australia 67%

Painting Australia 48%

Grounds Management 6%

New Zealand 15%

Industrial Services 9%

Industrial Services 13%

United Kingdom 10%

Grounds Management 4%

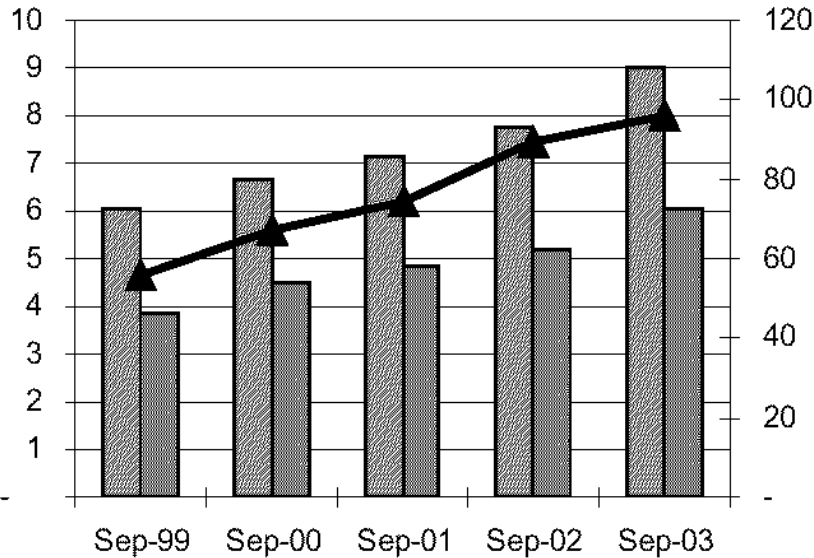
Building Services 13%

Building Services 1%

New Zealand 14%

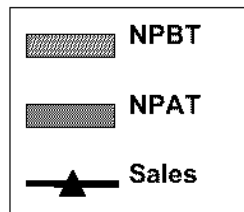
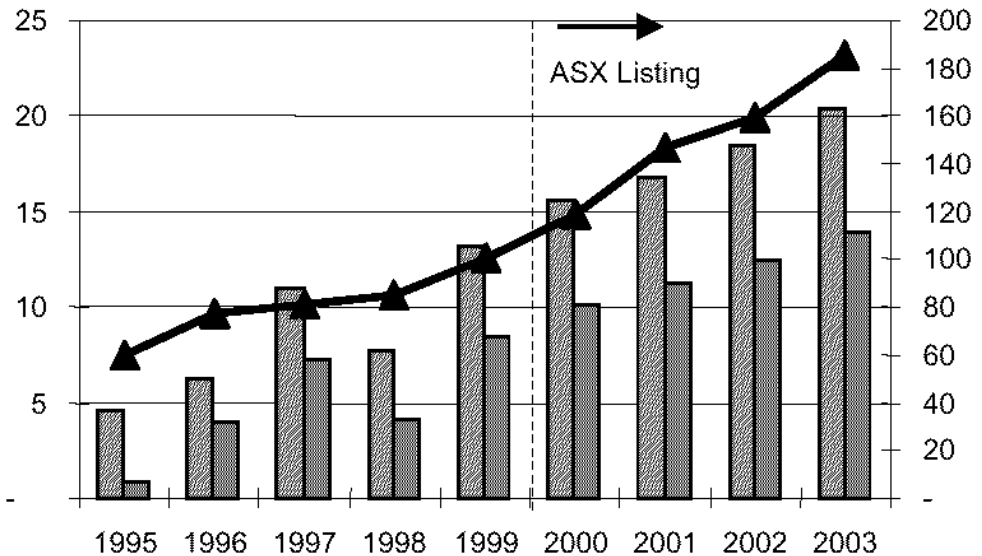
# Consistent Growth

## First Half Results



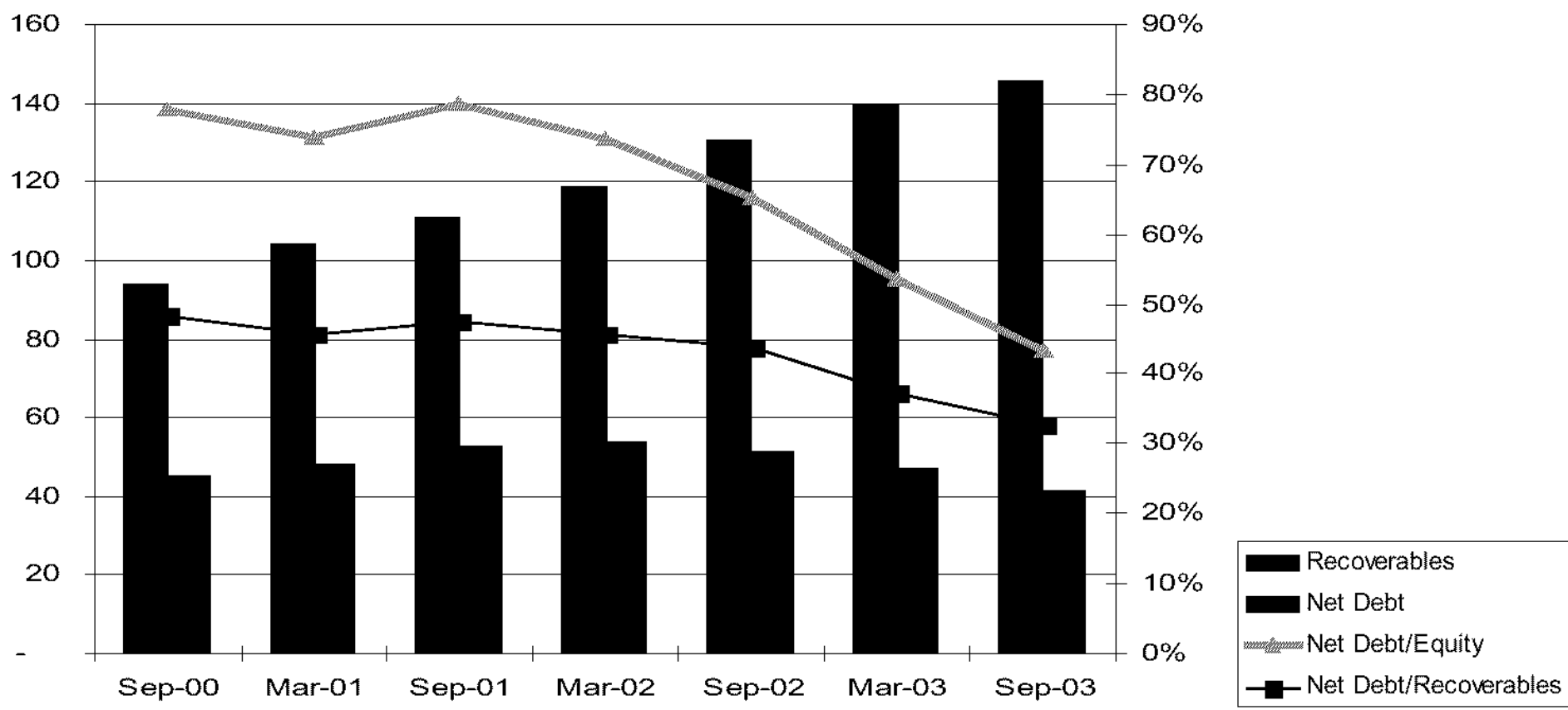
## Annual Results

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



Profits shown on left hand axis in A\$M  
Revenues shown on right hand axis in A\$M

# Recoverables, WIP & Net Debt



Work in Progress included in Recoverables for 2002 and 2003 data only, following change in accounting policy

# Forecast Profit – 31/3/2004

On 5<sup>th</sup> April 2004, the company announced –

“growth in after-tax profit of at least **15%**  
on the comparable basis for the previous year”

## 2003 Financial Results

Reported Profit after Tax	\$14.3m
Less	
One-Off Impact of WIP	<u>0.4m</u>
<b>Profit after Tax – Comparable Basis</b>	<b>\$13.9m</b>

# Health & Safety



## PAST 3 YEARS

105 LTIs



51 LTIs

RTW 60% < 10days



RTW 83% < 10days

## PREVENTION

- Good Process
- Good Education
- Proactive Injury Management
- Vigorous injury & risk investigations

## 5 OH&S SPECIALISTS

- Injury Prevention
- Safe Work Method Statements
- Education
- Investigation

# Serco Opportunity

## Unique Abilities each Partner Brings

**serco**

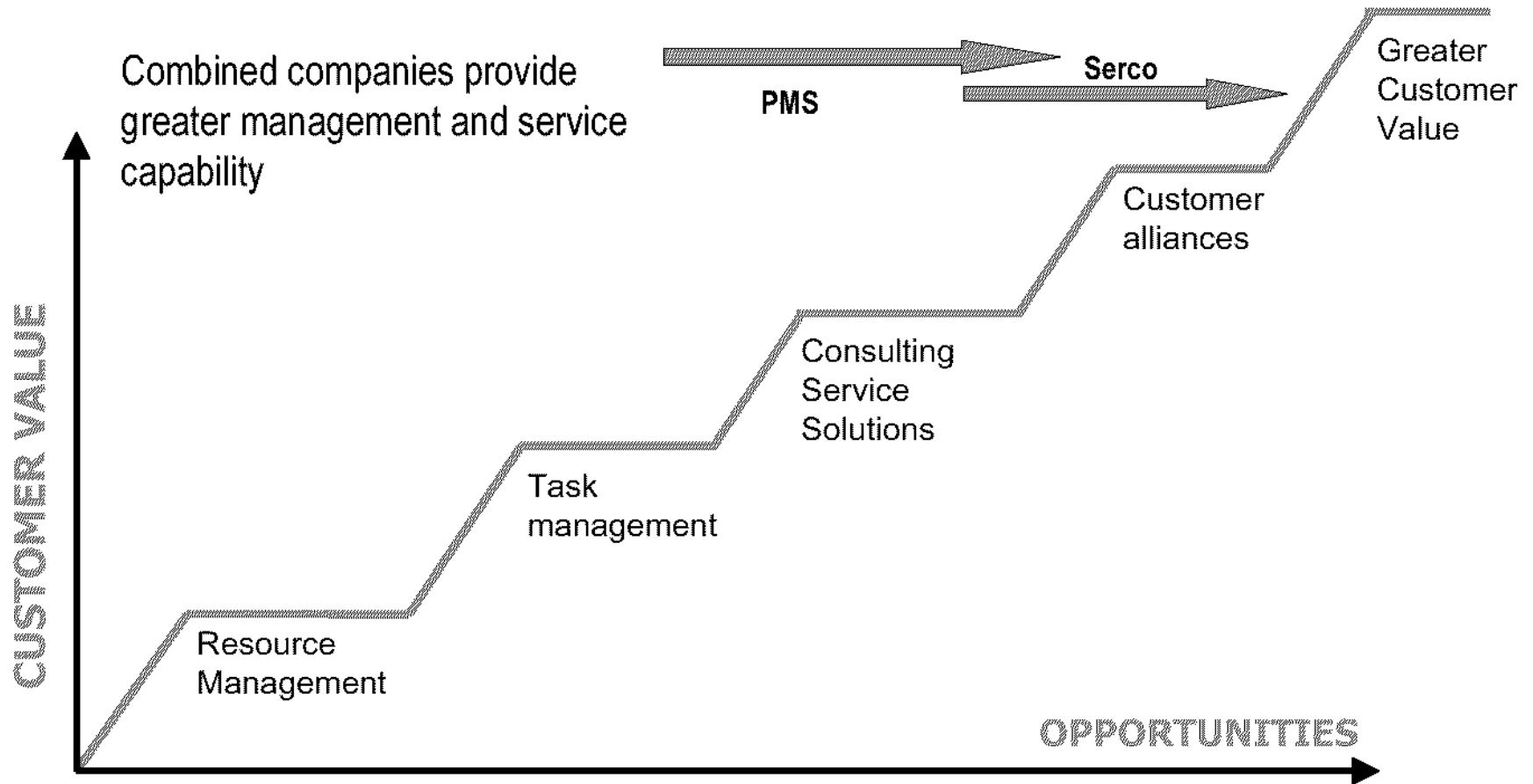


- Alliance Partnership Capability
- Customer Investment
- Change Managers
- Ability to Interpret Customer Vision

- Commitment to Customer Solutions
- Exporting our Unique Business Concepts Internationally
- World Class Service Solutions
- Strengths in Process, Task and Resource Management
- Structured People Development, Apprenticeships



# Creating Customer Value



# Value Proposition

## Value Proposition 1

Remove Hassle

## Value Proposition 2

Drive Efficiency

One-Stop Shop

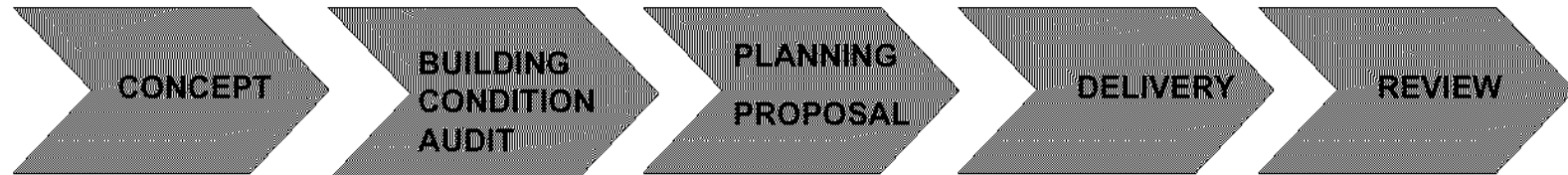
Quality Systems

## Value Proposition 3

Mitigate Risk

Focus on Core Activity

Reduction of Cost





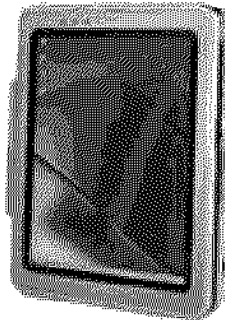
# Creating Value

Technology Assists to Develop Life Cycle Asset Plans.

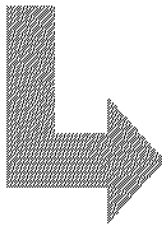
## Data Capture



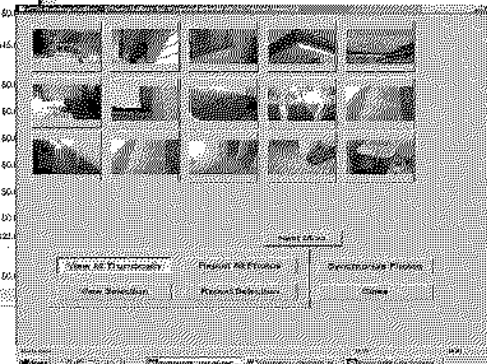
HAND-HELD DATA CAPTURE  
DEVICE



- Identifies maintenance liabilities and future maintenance costs
- Adds value by creating life-cycle asset maintenance planning



NO.	DESCRIPTION	LOCATION	STATUS	REMARKS	EST. COST	EST. DATE	EST. QUANTITY	EST. VALUE
52	LEVERS GALLERY	Exterior	Roor Elevation	Light Along	1.4c	2		\$0.00
53	LEVERS GALLERY	Exterior	Roor Elevation	Air Cond.	2.00	1		\$0.00
54	LEVERS GALLERY	Interior	Roor Elevation	Painting	3.00	1		\$0.00
55	LEVERS GALLERY	Interior	Hall	Wall	1.4c	4		\$0.00
56	LEVERS GALLERY	Interior	Hall	Door	1.4c	3		\$0.00
57	LEVERS GALLERY	Interior	Hall	Handrails	1.4c	4		\$0.00
58	LEVERS GALLERY	Interior	Hall	Handrails	1.4c	4		\$0.00
59	LEVERS GALLERY	Interior	Hall	Handrails	1.4c	4		\$0.00
60	LEVERS GALLERY	Interior	Hall	Handrails	1.4c	1		\$0.00
61	LEVERS GALLERY	Interior	Hall	Handrails	1.4c	1		\$0.00



# Creating Value

## National Partnership Achieves Success



### Telstra/Transfield

- Grounds Maintenance & Facility Cleaning
- 6000 sites throughout Australia - remote, rural and metro
- 3000 work orders per month  
data interfaces result in no manual processing
- Telstra responsive work orders interface every 5 minutes with PMS
- Automated customer and supplier completion sign-off and invoicing

# Creating Value

## Partnership Develops Solutions

Lancaster Council, United Kingdom



- **Competitive tendering replaced with long-term relationships focused on performance, quality and efficiency.**
- **4 year partnering arrangement to manage, maintain and improve council housing estates.**
- **Developed relationship with customer to enhance outcomes.**
- **Similar arrangement now with Derby Council Housing.**

# Questions ?

