



▶▶▶ ASX Announcement

25 November 2008

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

Dear Sir,

INVESTOR PRESENTATION: HALF YEAR RESULTS HALF YEAR ENDED 30 SEPTEMBER 2008

Please find attached the slides for the Investor Presentation to be given by Mr. Chris Sutherland, the Company's Managing Director tomorrow morning to fund managers and broker analysts in Sydney.

Yours sincerely,
PROGRAMMED MAINTENANCE SERVICES LIMITED

A handwritten signature in black ink that reads "Ian H. Jones".

Ian H. Jones
Secretary

For personal use only



Half Year 30 Sept. 2008 Results Presentation



www.pmsgroup.com.au

**Chris Sutherland
Managing Director**

26 Nov. 2008

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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.

This presentation should be read in conjunction with the more detailed analysis and commentary provided in the Appendix 4D Half Year Report, issued to the ASX on 20 November 2008.

Agenda – Half Year Results

- ▶ Half Year Summary
- ▶ Group Financial Results
- ▶ Divisional Results
- ▶ Strategy
- ▶ Outlook FY09
- ▶ Questions

- ▶ Appendix A



Half Year Summary

- ▶ Continued growth in Programmed revenue and profit
- ▶ Interim dividend maintained at 9.5cps, 100% franked
- ▶ Revenue of \$625m...up 62% on 1H Sept 07
- ▶ EBITA of \$34.1m¹...up 50% on 1H Sept 07
- ▶ Comparable profit after tax (pre-amort) of \$16.8m¹ up 50% on 1H Sept 07
- ▶ Reported profit of \$12.6m is after inclusion of \$3.5m in Spotless defence costs
- ▶ Strong cashflow and strengthening balance sheet
- ▶ Successful completion of:
 - Acquisition of engineering maintenance business SWG for 7.8m PRG shares
 - Sale of waste management business Barry Bros. for \$25m cash
- ▶ Initiatives taken to mitigate possible risks, in response to changed market conditions
- ▶ Full year guidance of \$74m¹ EBITA is reconfirmed

Note 1 Excluding expense (\$3.5m) arising from our response to the Spotless takeover offer

Group Results

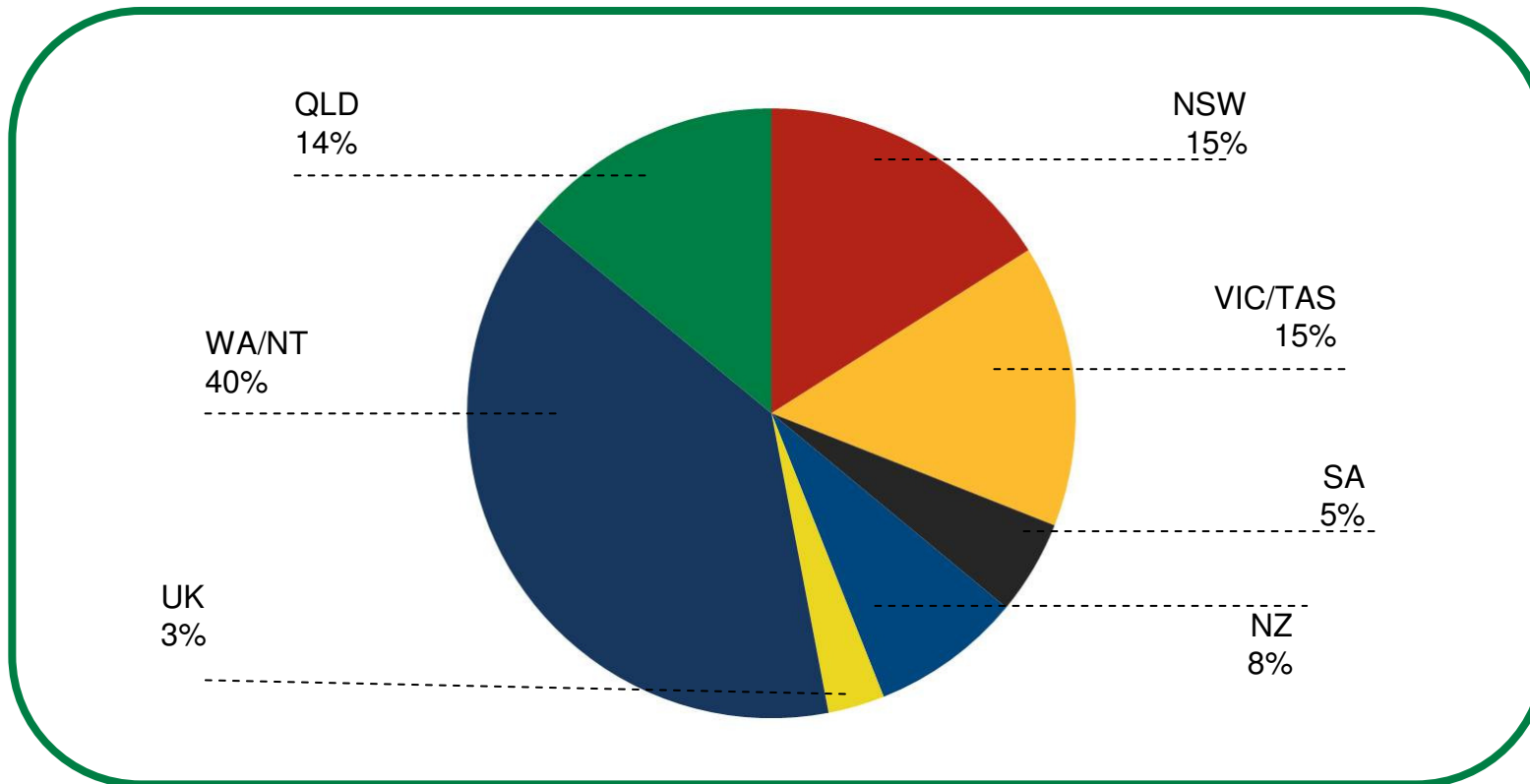
	1H Ended 30 Sept. 2008 ¹ \$m	1H Ended 30 Sept. 2007 ² \$m	% change
Revenue	625.1	386.7	61.6%
EBITDA	41.2	29.8	38.2%
Depreciation	(7.1)	(7.2)	0.9%
EBITA	34.1	22.6	50.6%
Amortisation	(1.8)	(0.9)	98.3%
EBIT	32.3	21.7	48.6%
Net Interest	(10.3)	(6.5)	58.1%
Profit before Tax	22.0	15.2	44.5%
Income Tax Expense	(7.0)	(5.0)	41.4%
Comparable Profit after Tax	15.0	10.3	46.1%
Comparable Profit after Tax (pre amort'n)	16.8	11.2	50.4%
Earnings per share pre amortisation (cents)	18.0	13.5	33.1%
Interim Dividend (cents)	9.5	9.5	0.0%
Franking %	100.0%	100.0%	

Note 1 The 1H 30 Sep 2008 result excludes expenses arising from our response to the Spotless takeover amounting to \$3.503m on the basis that they are non recurring

Note 2 The 1H 30 Sep 2007 result excludes a tax benefit of \$1.282m arising from the reduction in New Zealand corporate tax rate from 1 April 2008

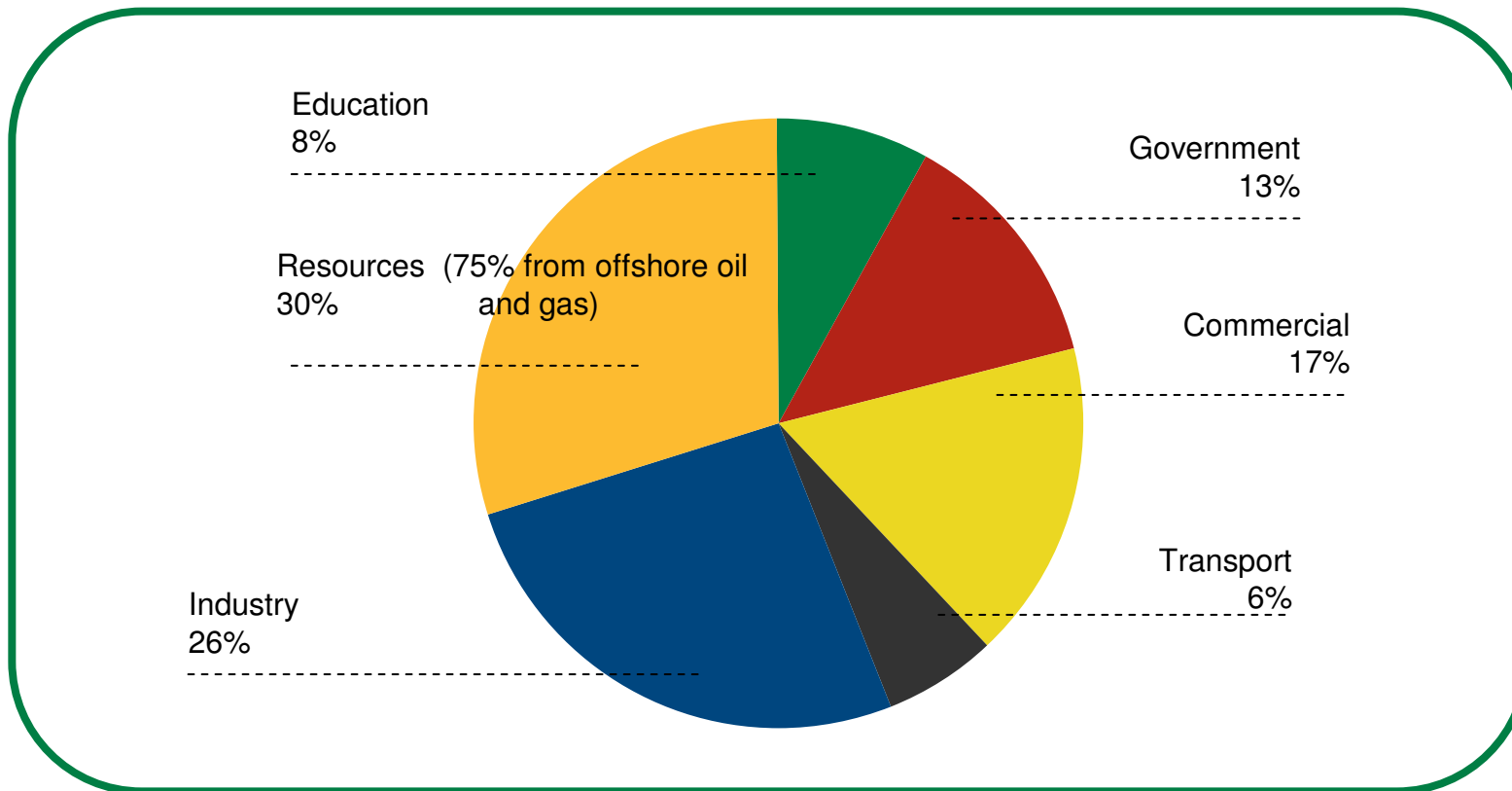
Note 3 A reconciliation of the Comparable Profit after tax to Reported Profit after tax (\$12.6m for 1H Sep08) is shown in Appendix A

Half Year Revenue (by Region)



Based on 1H 30 Sep 2008 revenues, excluding Industrial Services revenue

Half Year Revenue (By Industry Sector)



Based on 1H 30 Sep 2008 revenues, excluding Industrial Services revenue

Group Cashflows

	1H Ended 30 Sept. 2008 ¹ \$m	1H Ended 30 Sept. 2007 ² \$m	% change
Gross Operating Cashflows ³	43.9	28.8	52.6%
Interest paid	(7.5)	(6.8)	(10.7%)
Income tax paid	(9.4)	(1.0)	(825.0%)
Net Operating Cashflow	27.0	21.0	28.6%
Net purchases of plant & equipment	(5.4)	(5.4)	(0.8%)
Payments for businesses ³	(0.5)	(109.6)	99.5%
Proceeds from sale of businesses	14.2	0.0	N/A
Other Investing Cashflows	1.2	0.3	271.9%
Net Investing Cashflows	9.5	(114.7)	108.3%
Net proceeds from borrowings	1.8	119.8	98.5%
Dividends paid	(10.3)	(9.0)	(14.1%)
Net Financing Cashflows	(8.5)	110.8	107.7%
Net Increase in Cash	28.0	17.1	64.0%
Cash at beginning of the Half-year	0.5	(0.1)	
Cash at end of the Half-year	28.5	17.0	68.2%

Note 1 1H 30 Sep 2008 cashflows include 3 months' contribution from both SWG (purchased in July 2008) and Barry Bros. (sold in July 2008).

Note 2 1H 30 Sep 2007 cashflows include 4 months' contribution from Workforce and Marine divisions

Note 3 1H 30 Sep 2007 amounts for Gross operating cashflows and Payments for businesses have been normalised by \$15.0m for a one off timing difference arising from the merger (noted in the 30 Sep 2007 results presentation)

Balance Sheet

- ▶ Total Equity grew by \$30.5m (12%) to \$285.3m
- ▶ Net Debt declined by \$35.1m (15%) to \$196.0m
- ▶ Property, Plant & Equipment reduced by \$15.9m, mainly due to Barry Bros. sale
- ▶ Reactivation of dividend reinvestment plan

	30 Sept. 2008 \$m	31 March 2008 \$m	% change
Cash	32.4	4.2	670%
Trade and Other Receivables	188.8	180.5	5%
Contract Recoverables & Work in Progress	207.0	198.1	4%
Other Inventories	15.8	12.8	23%
Property, Plant & Equipment	36.0	51.9	(31%)
Goodwill & Other Intangible Assets	245.4	215.0	14%
Other Assets	39.4	30.5	29%
TOTAL ASSETS	764.8	693.0	10%
Trade and Other Payables	146.0	122.1	20%
Borrowings	228.5	235.3	(3%)
Provisions & Other Liabilities	105.0	80.7	30%
TOTAL LIABILITIES	479.5	438.1	9%
TOTAL EQUITY	285.3	254.8	12%
Net Debt	196.1	231.1	15%
Net Debt / Equity	69%	91%	24%

Debt Facilities

- ▶ Finance leases reduced by \$15.1m, mainly due to Barry Bros. sale
- ▶ Unsecured borrowings provided under the following debt facilities
 - Working capital facility of \$35m, reviewed annually in May
 - Senior credit facility of \$175m, 3 year term, next review in May 2010
- ▶ Interest rate hedge taken out in May 2008 over 60% of total \$210m facilities for two years and 20% in third year

	30 Sept. 2008 \$m	31 March 2008 \$m	% change
Cash	(32.4)	(4.2)	670%
Borrowings - unsecured			
- Bank overdrafts	1.1	1.6	33%
- Bank loans	203.2	193.9	(5%)
Borrowings - secured			
- Bank overdrafts	2.8	2.1	(38%)
- Bank loans	5.9	7.2	18%
- Finance lease liabilities	15.5	30.5	49%
NET DEBT	196.1	231.1	15%

Divisional Revenue

	1H Ended 30 Sept. 2008 ¹ \$m	1H Ended 30 Sept. 2007 ² \$m	% change
CONTINUING OPERATIONS			
Property Services	145.1	124.4	16.6%
Facilities Management ³	92.0	72.3	27.2%
Workforce	224.8	117.1	92.0%
<i>Full half-year comparative</i>		188.8	19.1%
Marine	111.7	53.8	107.6%
<i>Full half-year comparative</i>		90.0	24.1%
Sub-Total Organic Growth	573.6	367.6	56.0%
<i>Full half-year comparative</i>		475.5	20.6%
SWG	40.3	0.0	N/A
Sub-Total Continuing Operations	613.9	367.6	67.0%
DISCONTINUED OPERATIONS			
Industrial Services (Barry Bros.)	11.2	19.1	(41.2%)
TOTAL CONSOLIDATED REVENUE	625.1	386.7	61.6%
<i>Full half-year comparative</i>		494.6	26.4%

Note 1 1H 30 Sep 2008 results include 3 months' contribution from both SWG (purchased in July 2008) and Barry Bros. (sold in July 2008).

Note 2 1H 30 Sep 2007 results include 4 months' contribution from Workforce and Marine divisions, and have been restated for the change in segment disclosure.

Note 3 Revenue for the Facilities Management division has been restated for the change in accounting policy for cost reimbursable contracts.

Divisional EBITA

	1H Ended 30 Sept. 2008 ¹ \$m	1H Ended 30 Sept. 2007 ² \$m	% change
CONTINUING OPERATIONS			
Property Services	13.7	12.7	8.1%
Facilities Management	1.8	1.5	20.5%
Workforce	8.3	4.4	88.9%
<i>Full half-year comparative</i>		6.5	27.6%
Marine	9.5	4.0	138.5%
<i>Full half-year comparative</i>		6.4	48.0%
Sub-Total Organic Growth	33.2	22.5	47.7%
<i>Full half-year comparative</i>		27.0	22.9%
SWG	3.5	0.0	N/A
Unallocated costs	(4.1)	(1.3)	218.1%
Sub-Total Continuing Operations	32.7	21.2	54.1%
DISCONTINUED OPERATIONS			
Industrial Services (Barry Bros.)	1.4	1.4	(2.6%)
TOTAL CONSOLIDATED EBITA³	34.1	22.6	50.6%
<i>Full half-year comparative</i>		27.2	25.8%

Note 1 1H 30 Sep 2008 results include 3 months' contribution from both SWG (purchased in July 2008) and Barry Bros. (sold in July 2008), and exclude expenses (\$3.5m) from response to Spotless takeover.

Note 2 1H 30 Sep 2007 results include 4 months' contribution from Workforce and Marine divisions, and have been restated for the change in segment disclosure.

Note 3 Earnings before interest, taxes and amortisation of identifiable intangibles.

Property Services Division

	1H Ended 30 Sept. 2008 \$m	1H Ended 30 Sept. 2007 \$m	% change
Revenue	145.1	124.4	16.6%
EBITA	13.7	12.7	8.1%

- ▶ Demand for services in Australia was strong
- ▶ Good growth in the following sectors:
 - education
 - government
 - food retailing
- ▶ Performance in New Zealand affected by economic slow-down
- ▶ United Kingdom increased earnings

Facilities Management Division

	1H Ended 30 Sept. 2008 \$m	1H Ended 30 Sept. 2007 \$m	% change
Revenue	92.0	72.3	27.2%
EBITA	1.8	1.5	20.5%

- ▶ Growth from major contracts secured in FY08
- ▶ Work commenced in October on \$80m, 5 year contract for providing building services to NSW public housing
- ▶ Considerable scope for further growth

Workforce Division

	1H Ended 30 Sept. 2008 \$m	1H Ended 30 Sept. 2007 \$m	% change
Revenue <i>Full half-year comparative</i>	224.8	117.1 <i>188.8</i>	92.0% <i>19.1%</i>
EBITA <i>Full half-year comparative</i>	8.3	4.4 <i>6.5</i>	88.9% <i>27.6%</i>

- ▶ Increase in Revenue / EBITA / margin
- ▶ Division benefited from cost synergies resulting from PRG/IWF merger
- ▶ Performance strong in WA and Queensland
- ▶ Lower demand in New South Wales and Victoria
- ▶ Plans to expand into NZ have been deferred

Marine Division

	1H Ended 30 Sept. 2008 \$m	1H Ended 30 Sept. 2007 \$m	% change
Revenue <i>Full half-year comparative</i>	111.7	53.8 <i>90.0</i>	107.6% <i>24.1%</i>
EBITA <i>Full half-year comparative</i>	9.5	4.0 <i>6.4</i>	138.5% <i>48.0%</i>

- ▶ Results driven by increasing offshore oil and gas activity in Australia and NZ
- ▶ Strong order book and pipeline of opportunities
- ▶ Division is well placed to expand existing operations

SWG - Engineering Maintenance Division

	1H Ended 30 Sept. 2008 \$m	1H Ended 30 Sept. 2007 \$m	% change
Revenue	40.3	0.0	N/A
EBITA	3.5	0.0	N/A

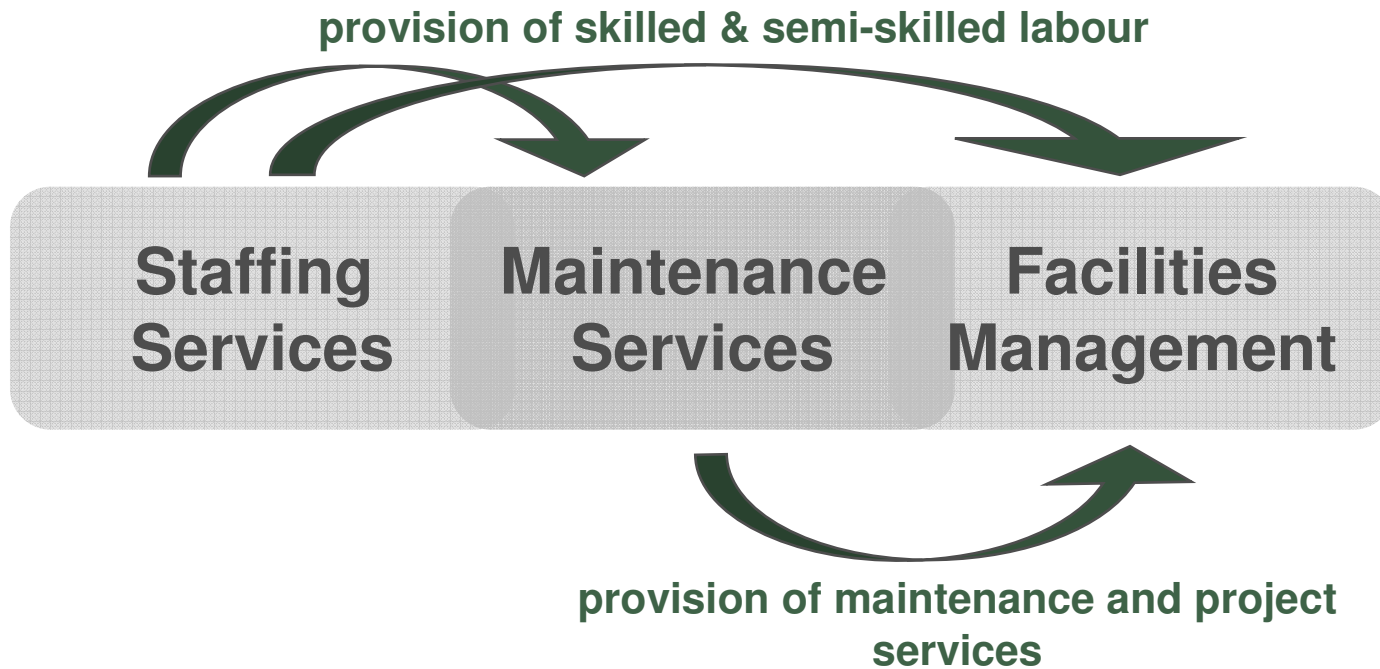
- ▶ SWG performed well in first three months as part of Programmed Group
- ▶ Rolling out plan to secure further maintenance and project work in offshore oil and gas, and onshore mining industries

Our Vision

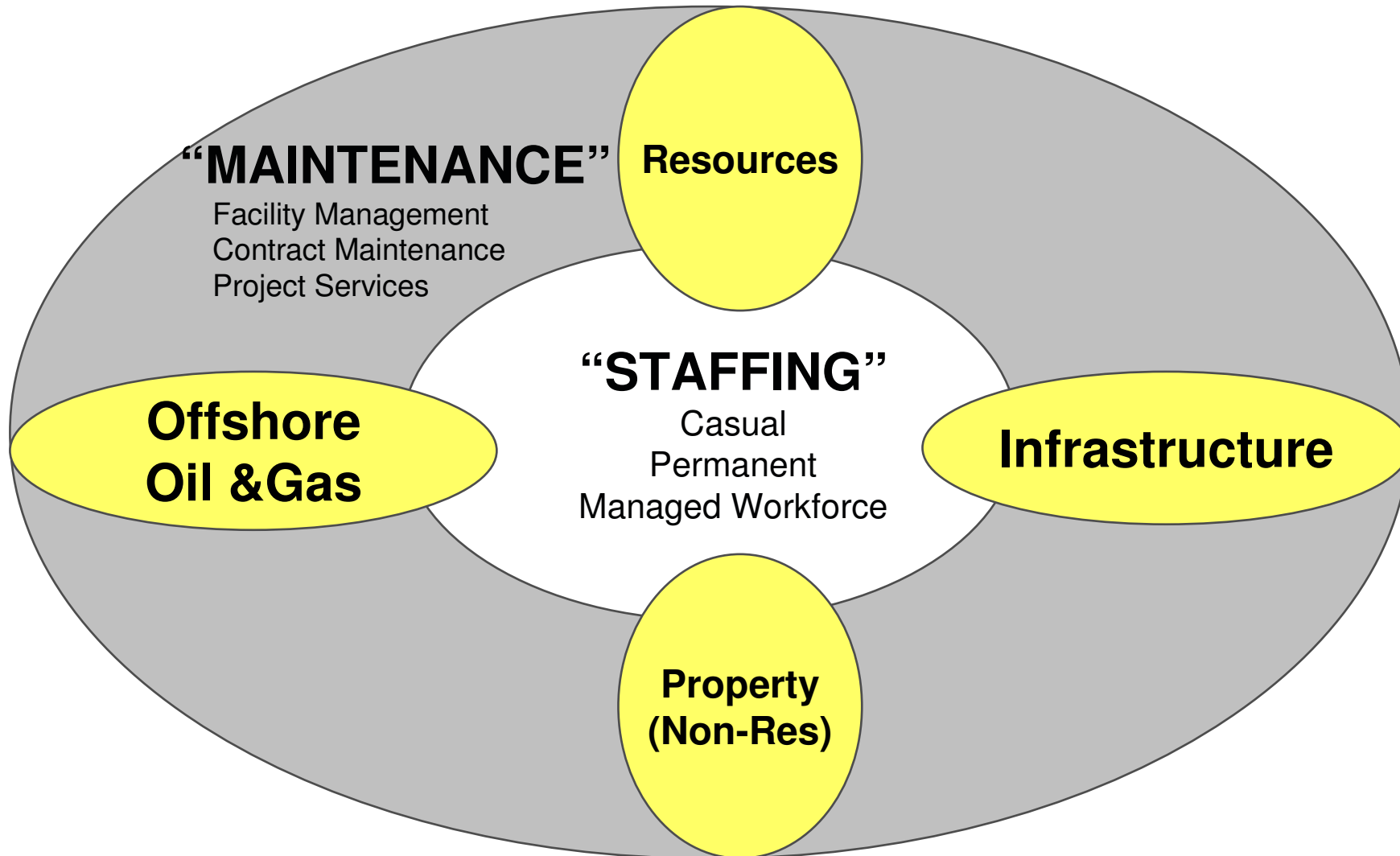
**‘To be a leading provider of
staffing and maintenance
services’**

Our Strategy

“Our business model is built around our ability to recruit, retain and deploy a skilled workforce”



Our Markets

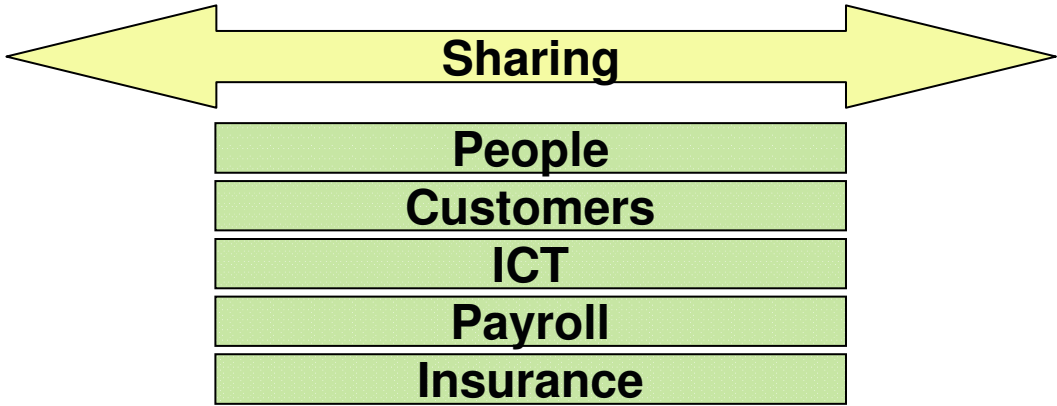
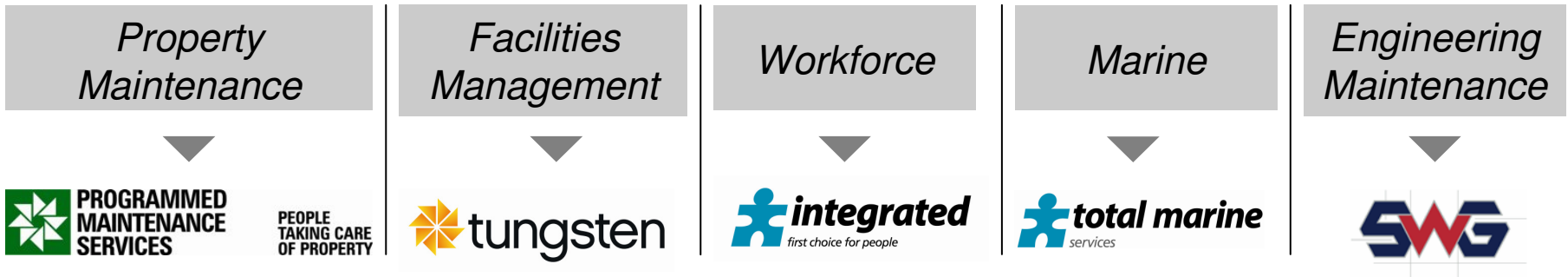


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5 Complementary Operating Divisions

PROGRAMMED MAINTENANCE GROUP



Our Strategy

Key Drivers

- ▶ Recruit, retain and deploy a large skilled workforce (active database of greater than 60,000 personnel)
- ▶ Long-term customer relationships and contracts
- ▶ Geographic expansion
- ▶ Industry sector expansion
- ▶ Continued internal improvement
- ▶ Acquisitions that fit our strategy

Outlook – FY2009

Whilst we are cautious about the impact of the economic slow-down, we believe Programmed's overall revenue will be relatively resilient, buoyed by the diversity of our customer base.

We have taken a number of measures to mitigate downside risk to earnings in those parts of our business that are vulnerable and we have reasonable visibility of earnings for the second half. However, we do understand this is a volatile market and further measures may need to be taken to mitigate yet to be identified impacts.

On balance, taking into account the current expected economic impacts of a slowing economy, the group maintains its current forecast earnings of \$74 million before interest, tax, amortisation and takeover defence costs in FY2009.



**PROGRAMMED
MAINTENANCE
GROUP**

Questions



Appendix A

Reconciliation of “Reported Profit” to “Comparable Profit”

	1H Ended 30 Sept. 2008 \$000s	1H Ended 30 Sept. 2007 \$000s	% change
Reported Profit after Tax	12,561	11,560	8.7%
Benefit - change in NZ income tax rate	0	(1,282)	
Costs - PRG response to SPT takeover (net of tax)	2,452	0	
Comparable Profit after Tax	15,013	10,278	46.1%
Amortisation of identifiable intangibles	1,830	923	
Comparable Profit after Tax (pre amort'n)	16,843	11,201	50.4%