PROGRAMMED Group

ASX Release

Wednesday, 25 May 2011

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

Dear Sir,

INVESTOR PRESENTATION – FY11 RESULTS

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

Yours sincerely,
PROGRAMMED MAINTENANCE SERVICES LIMITED

Stephen Leach
Company Secretary

FY2011 Results Presentation

Year ended 31 March 2011

PRESENTED BY Chris Sutherland
Managing Director

25 May 2011

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This presentation should be read in conjunction with the Announcements issued to the ASX since the 2010 Annual Report, and can be found on the Programmed website: www.programmed.com.au

PROGRAMMED Group

Our Vision

Our Vision

To be a leading provider of staffing, maintenance and project services, without injury

Our Business

*Customers contract a complete **MANAGEMENT** and / or maintenance **SOLUTION***

PROPERTY & INFRASTRUCTURE

Building, Maintenance and Operation Services

RESOURCES & INDUSTRIAL

Construction, Maintenance and Operation Services

*Customers contract the **TASK** capability*

WORKFORCE

Staffing Services

*Customers contract the **STAFFING** service*

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Our Strategy

Key Drivers for Growth

- Provide additional services to existing Property & Infrastructure customers
- Expand existing services to Resources & Industrial market
- Expand our staffing services market
- Add new service capability

PROPERTY & INFRASTRUCTURE
Building, Maintenance and Operation Services

RESOURCES & INDUSTRIAL
Construction, Maintenance and Operation Services

WORKFORCE
Staffing Services

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Group Performance Highlights

- Revenue of $1,220.2 million, up 6.8% on pcp
- EBITA (before restructuring and UK exit costs) of $48.0 million, down 17.3% on pcp
- Significant improvement in 2H with EBITA (before restructuring and UK exit costs) of $31.8 million, above pcp ($31.1 million)
- Profit from continuing operations $22.2 million, down 14.1% on pcp
- Statutory profit of $10.4 million after UK exit costs of $11.8 million
- Final dividend maintained at 6.0 cents per share

Group Results	First Half		Second Half		Full Year	
	FY2011 $m	FY2010[1,2] $m	FY2011 $m	FY2010[1,2] $m	FY2011 $m	FY2010[1,2] $m
Continuing operations						
Revenue	**604.7**	**572.3**	**615.5**	**569.7**	**1,220.2**	**1,142.0**
EBITDA (before restructuring costs)	22.7	33.1	37.5	37.5	60.2	70.6
Depreciation	(6.5)	(6.2)	(5.7)	(6.4)	(12.2)	(12.6)
EBITA (before restructuring costs)	**16.2**	**26.9**	**31.8**	**31.1**	**48.0**	**58.0**
Restructuring costs	(5.9)	0.0	0.0	0.0	(5.9)	0.0
EBITA	**10.3**	**26.9**	**31.8**	**31.1**	**42.1**	**58.0**
Amortisation	(0.2)	(0.8)	(0.3)	(0.8)	(0.5)	(1.6)
EBIT	**10.1**	**26.1**	**31.5**	**30.3**	**41.6**	**56.4**
Net Interest	(6.7)	(8.4)	(7.0)	(8.7)	(13.7)	(17.1)
Profit Before Tax	**3.4**	**17.7**	**24.5**	**21.6**	**27.9**	**39.3**
Income Tax Expense[3]	1.2	(6.0)	(6.9)	(7.5)	(5.7)	(13.5)
Profit From Continuing Operations	**4.6**	**11.7**	**17.6**	**14.1**	**22.2**	**25.8**
Discontinued operations[4]	(7.6)	0.4	(4.2)	(1.3)	(11.8)	(0.9)
Profit After Tax (statutory basis)	**(3.0)**	**12.1**	**13.4**	**12.8**	**10.4**	**24.9**
Profit After Tax (pre amortisation)	(2.8)	12.9	13.7	13.6	10.9	26.5
Earnings Per Share (pre amortisation)	**(2.4)**	**13.0**	**11.5**	**12.0**	**9.2**	**25.0**
Earnings Per Share (continuing operations)	**3.9**	**11.8**	**14.8**	**12.5**	**18.7**	**24.3**
Weighted Average Shares on Issue (million)	118.2	99.2	118.2	106.2	118.2	106.2

[1] *FY 2010 results includes 2 months contribution from KLM Group*

[2] *FY 2010 results have been restated as a result of the change in accounting policy for painting programmes announced on 10 November 2010 and reclassification of discontinued operations*

[3] *FY 2011 includes $1.8m tax benefit from retrospective change in tax consolidation rules to allow additional deductions for assets acquired after 1 July 2002*

[4] *Discontinued operations comprise the United Kingdom painting business and include a loss of $3.2m attributable to transfer of a foreign curreny translation reserve to profit & loss*

- Revenue maintained
- Tale of two halves
- Strong 2nd half
- Restructuring completed
- UK exit
- Lower interest and tax

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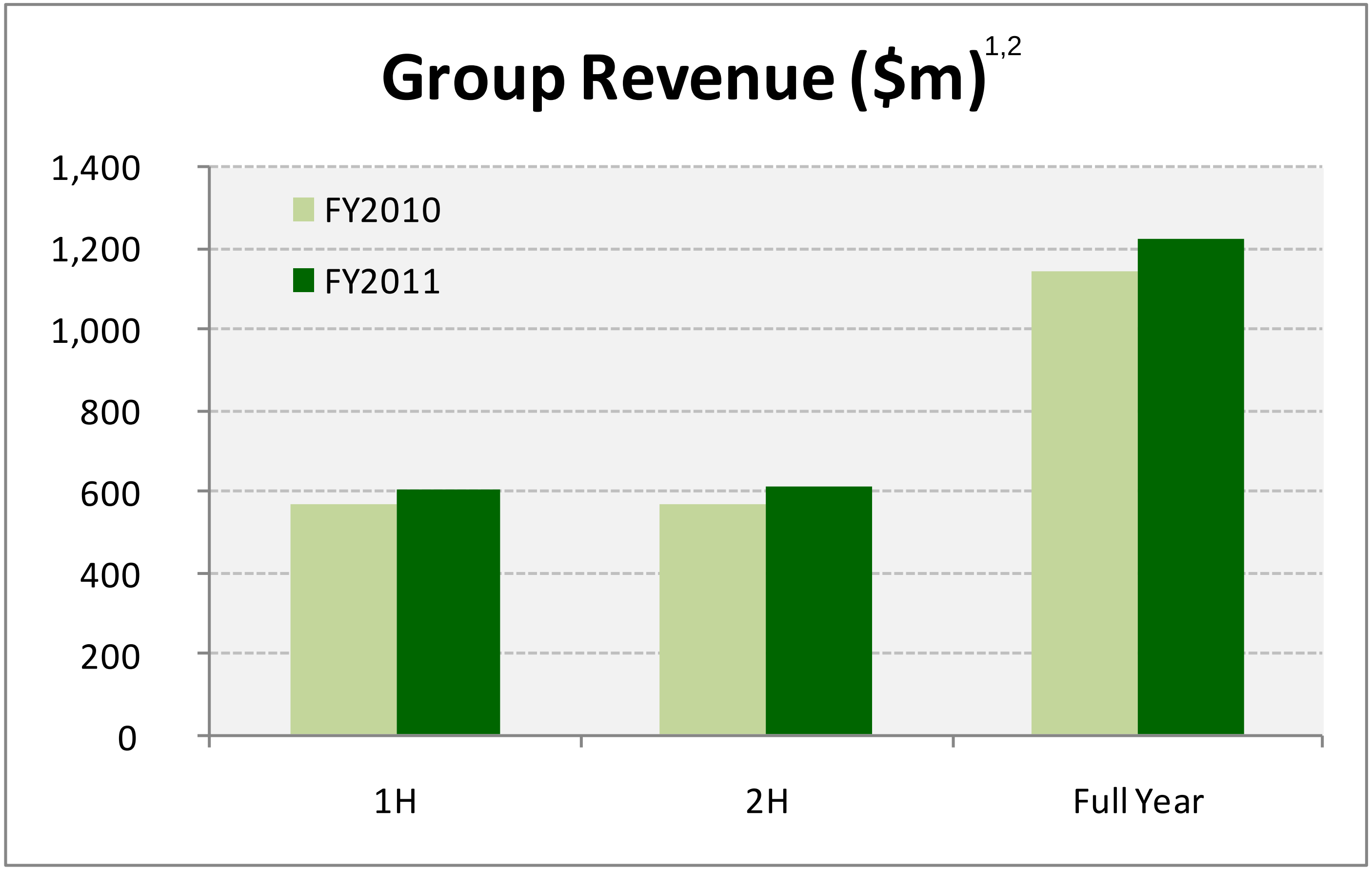
Group Revenue by halves



[1]from continuing operations
[2] includes two month contribution from KLM in FY2010

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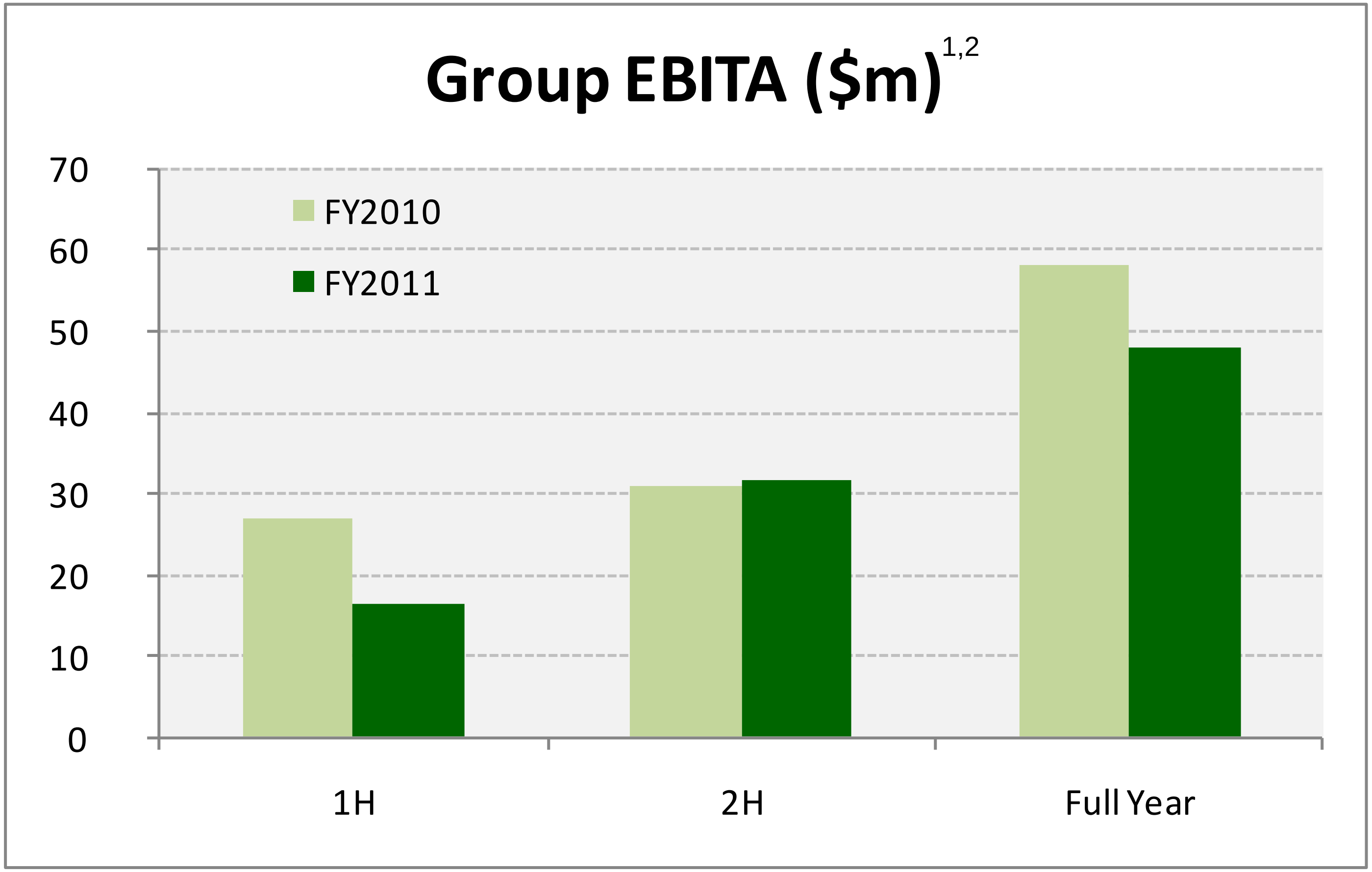
Group EBITA by halves



[1]from continuing operations before restructuring costs
[2] includes two month contribution from KLM in FY2010

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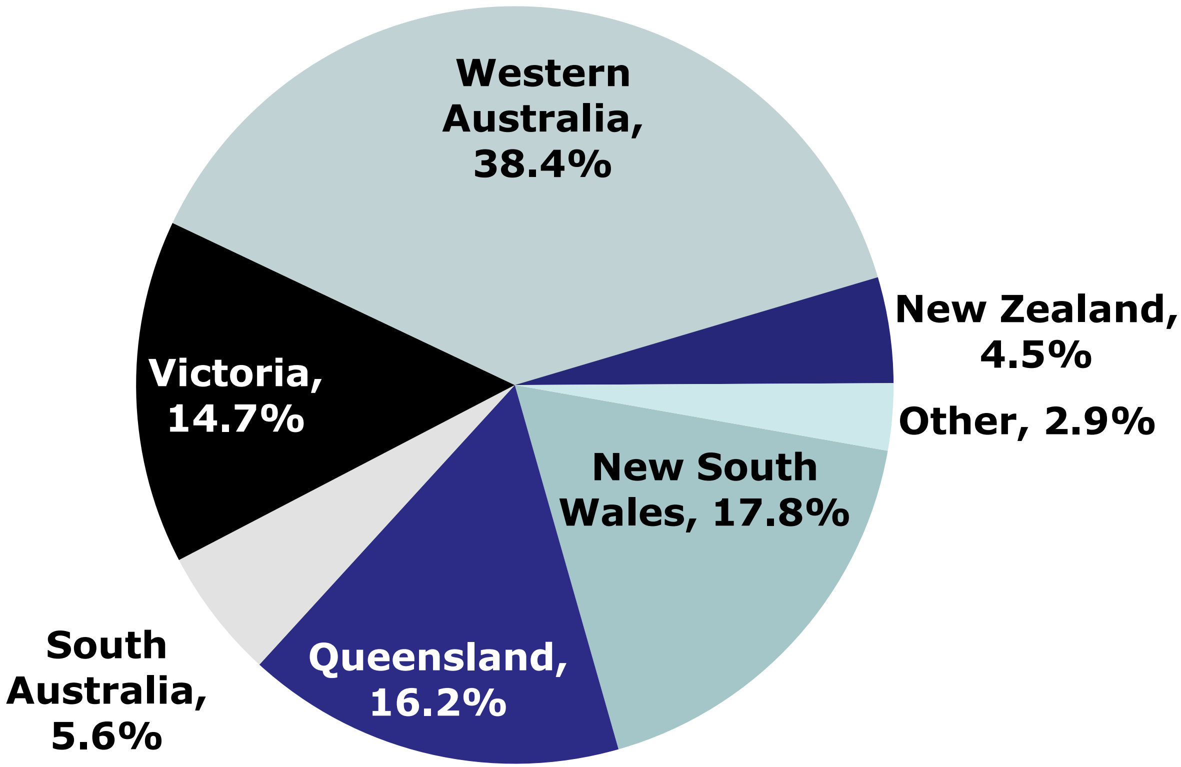
Group Revenue by region



Group Cash Flow	Year Ended 31 March 2011 $m	Year Ended 31 March 2010[1] $m
Gross Operating Cash Flow	29.1	60.0
Interest paid	(14.9)	(20.5)
Income tax paid	(8.9)	(6.4)
Net Operating Cash Flow	**5.3**	**33.1**
Net purchases of non current assets	(4.9)	0.9
Payment for businesses	(0.1)	(22.7)
Proceeds from sales of businesses	3.1	0.0
Other investing cash flows	0.8	0.8
Net Investing Cash Flow	**(1.1)**	**(21.0)**
Net borrowings / (repayments)	(19.1)	(62.5)
Proceeds from issue of shares	0.0	67.1
Dividends paid	(10.6)	(6.4)
Net Financing Cash Flow	**(29.7)**	**(1.8)**
Net Increase / (Decrease) in Cash	**(25.5)**	**10.3**
Cash at beginning of year	46.5	36.2
Disposals & Exchange Rate Variances	(0.9)	0.0
Cash at End of Year	**20.1**	**46.5**

[1] *FY 2010 results includes 2 months contribution from KLM Group*

- Group EBITDA $42m (inclusive of UK exit)
- Gross Op C/F = 69%
- Extra working capital invested inside business

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Balance Sheet	31 Mar 2011 $m	31 Mar 2010 (Restated)[1] $m	% change
Cash	29.6	48.2	(38.6%)
Trade and other receivables	184.2	165.3	11.4%
Contract Recoverables	133.8	152.3	(12.1%)
Inventories	73.8	55.3	33.5%
Property, plant & equipment	24.4	28.7	(15.0%)
Goodwill & other intangible assets	251.1	252.8	(0.7%)
Other assets	30.2	35.0	(13.7%)
Total Assets	**727.1**	**737.6**	**(1.4%)**
Trade and other payables	134.3	136.7	(1.8%)
Borrowings	147.9	154.8	(4.4%)
Provisions and other liabilities	93.4	94.3	(1.0%)
Total Liabilities	**375.6**	**385.8**	**(2.6%)**
Total Equity	**351.5**	**351.9**	**(0.1%)**
Net Debt	118.3	106.6	11.0%
Net Debt / Equity	33.7%	30.3%	11.2%

[1] *FY 2010 balances have been restated as a result of the change in accounting policy for painting programmes announced on 10 November 2010*

- Working Capital expansion
- Gearing remains below 40% (target)

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Dividend

- Board has determined a fully franked final dividend of 6 cents per share, same as final dividend for FY 10
- Dividend to be paid on 27 July, for shareholders on the register at 8 July
- Total dividend for the year of 9 cents per share, represents a payout ratio of approximately 50% of NPAT from continuing operations

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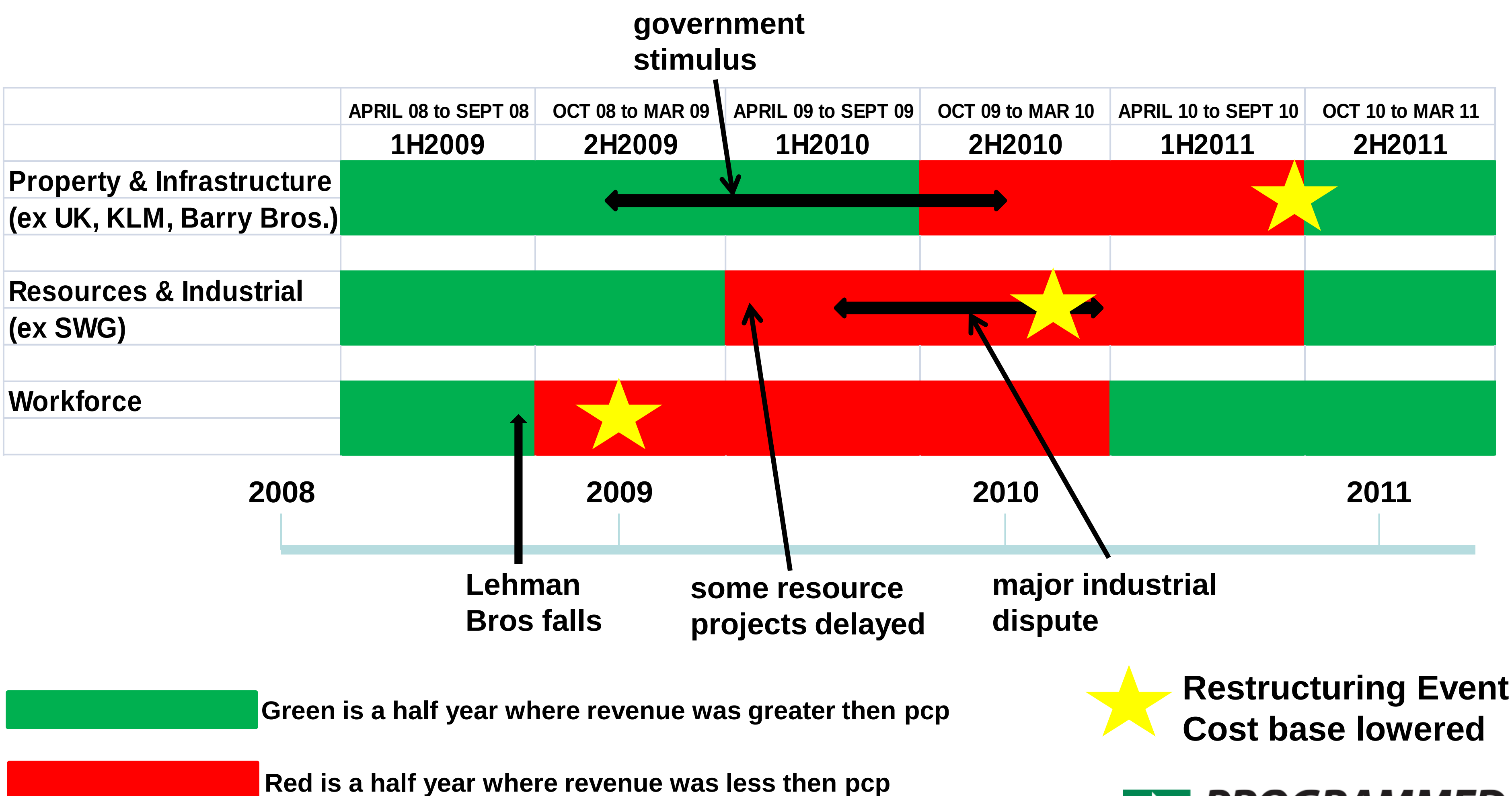
The journey through the GFC



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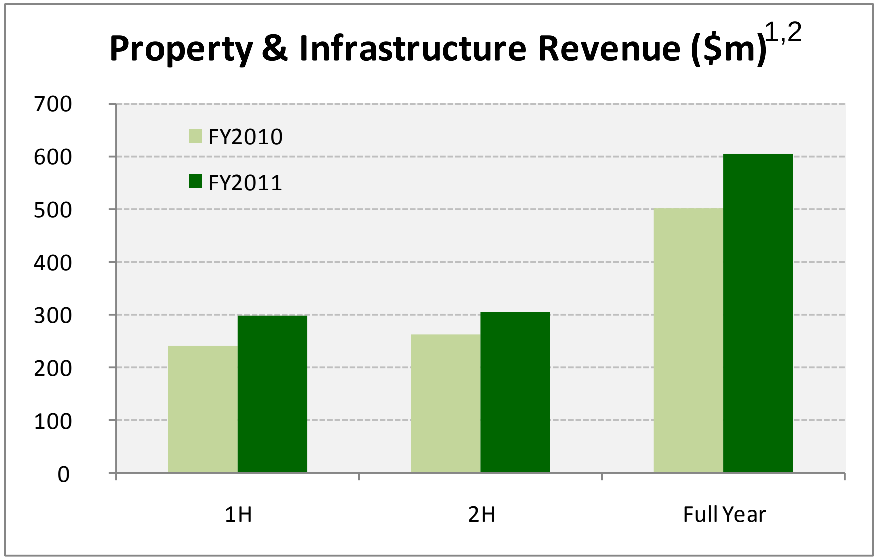
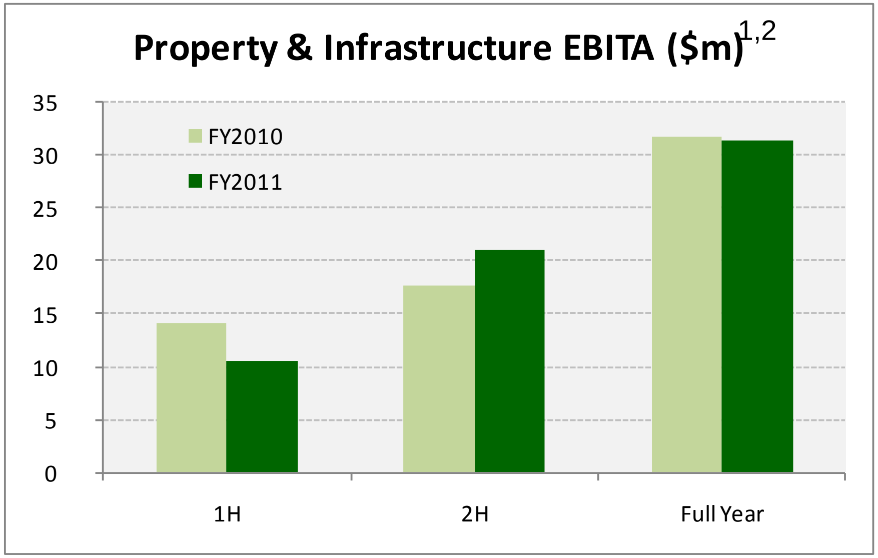
Property & Infrastructure

- Weak first half due to weakness in retail and commercial sectors
- Restructured division – Nov / Dec 10 ($7.5 million costs out)
- Stronger second half performance (above 2HFY10)
- Business improvements continue to be implemented





[1]from continuing operations before restructuring costs
[2] includes two month contribution from KLM in FY2010

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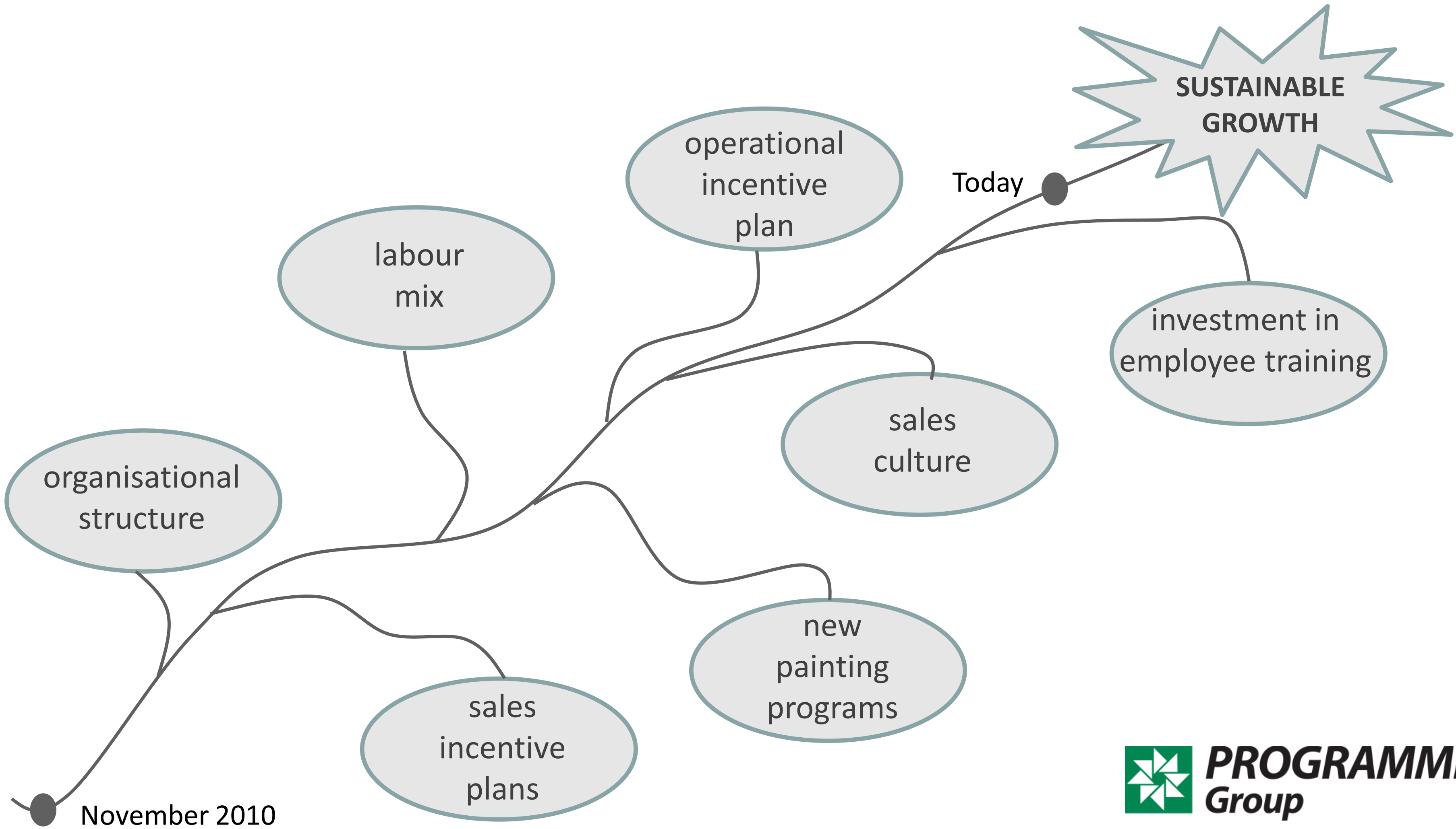
Property & Infrastructure

Overview

- $600m revenue operation across five businesses
- Significant safety culture forming part of our **“value proposition”**
- Thousands of customers – cross-selling strategies
- New Customer Relationship Management (CRM) system underway
- New Customer Referral Incentive Scheme

Roadmap for painting transformation



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New Painting Programmes

Classic Programme ™

An upfront work schedule with periodic payment

Multiform Programme ™

A uniform solution for multiple facilities or multiple locations

Choices Programme ™

You decide when, where and how often, and pay as you go

Safeguard Programme ™

Ongoing preservation programme to keep your coating as new

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Looking at other P&I services

Grounds

- Established 3 year strategy
- Landscaping expansion
- Environmental value proposition

Corporate Imaging

- Established 3 year strategy
- New markets
- Technology based solutions

Facility Management

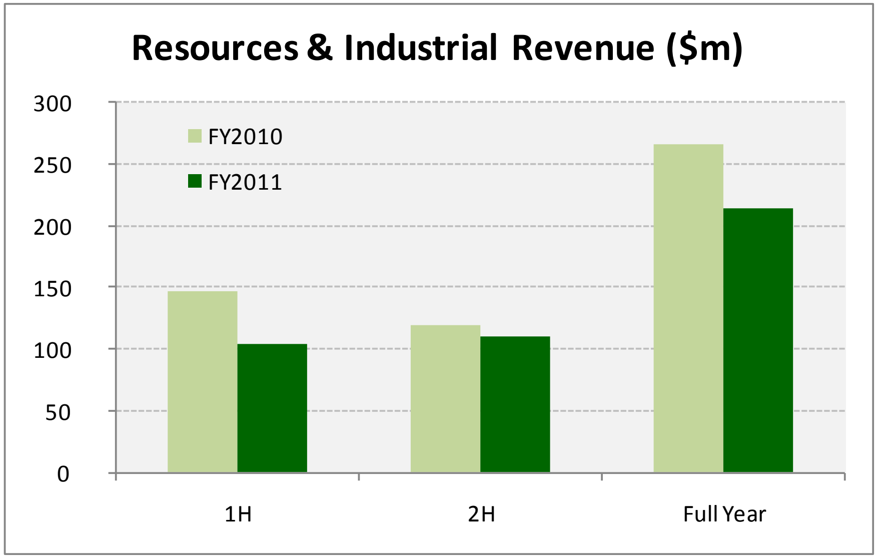
- Retaining key contracts
- PPP opportunities
- Strong active pipeline

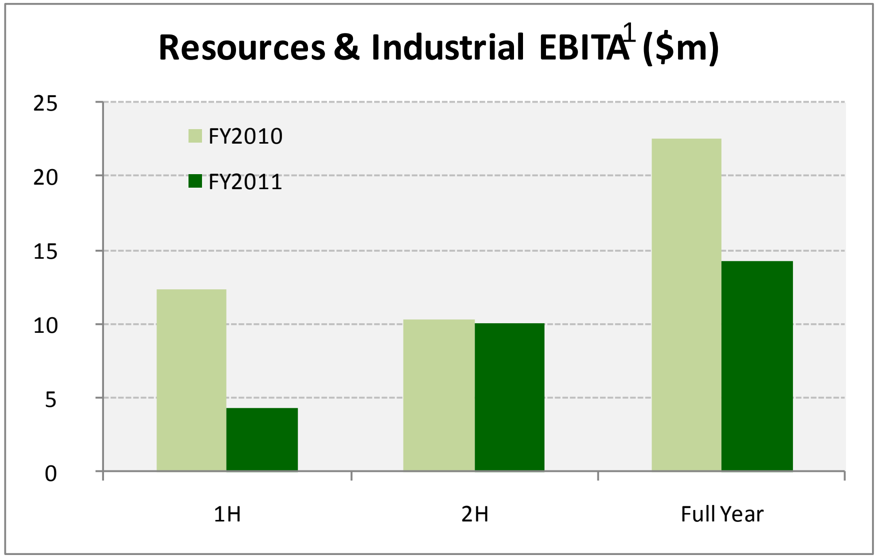
KLM Electrical

- Significant work in hand
- Audio Visual growth
- NBN potential

Resources & Industrial

- Weak first half due to impacts of major industrial dispute
- Some delays in start of major works
- Stronger second half performance onshore and offshore
- Work for major offshore oil and gas projects commenced





[1]excludes restructuring costs

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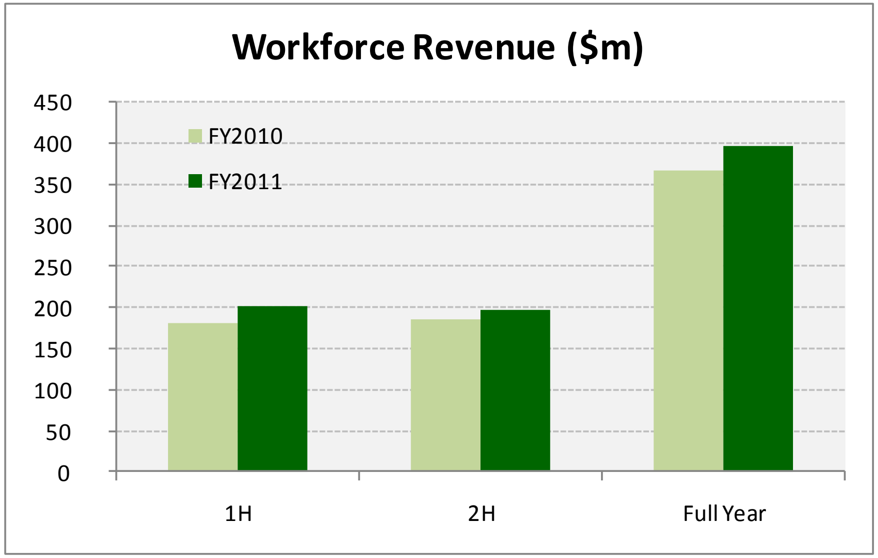
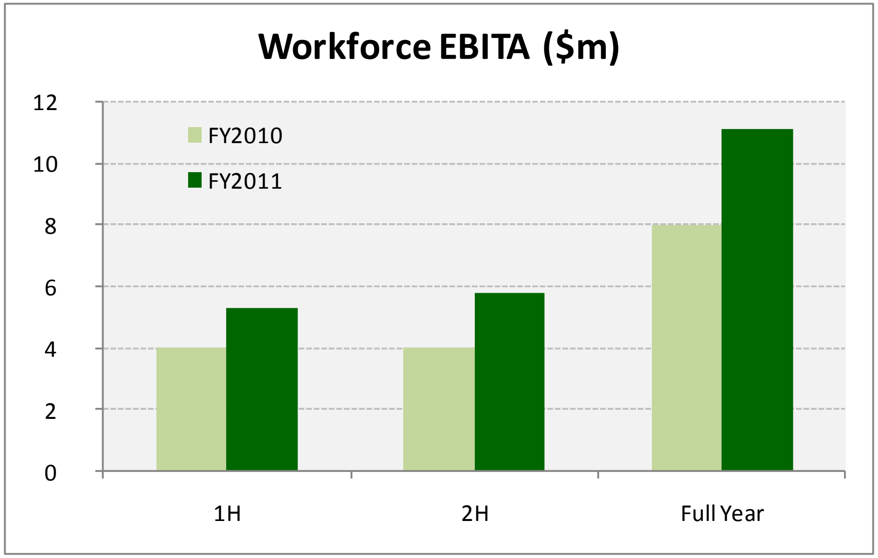
Workforce

- Year on year increase in revenue as slow economic recovery occurs
- Major gains in mining and infrastructure
- SME's remain cautious
- Tight control of costs and margins





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Outlook

- Demand in the retail, commercial and light industrial sectors remains tight. Whilst new opportunities are being developed with the government sector, many retail and commercial clients are cautious about their prospects and are restricting maintenance and project expenditure.
- Demand in the resources sector has increased with additional offshore oil and gas opportunities forecast in FY2012.
- The general staffing sector is recovering, with leading indicators pointing to increased labour demand, but small and medium size businesses generally remain cautious.
- Overall, the group's earnings are expected to improve in FY2012, with stronger demand projected for its services and a lower cost base in all three divisions than two years ago.

Questions

Appendix A

Revenue by division	Year ended 31 March 2011 $m	Year ended 31 March 2010[1] (Restated)[2] $m	% change
Continuing Operations			
Property & Infrastructure	603.3	499.9	20.7%
Resources & Industrial	213.5	266.3	(19.8%)
Workforce	397.5	366.8	8.4%
Total Continuing Operations	**1,214.3**	**1,133.0**	**7.2%**
Other Revenue	5.9	9.0	
Discontinued Operations[3]	7.4	19.5	
Total Consolidated Revenue	**1,227.6**	**1,161.5**	**5.7%**

[1] *FY 2010 results includes 2 months contribution from KLM Group*

[2] *FY 2010 results have been restated as a result of the change in accounting policy for painting programmes announced on 10 November 2010 and reclassification of discontinued operations*

[3] *Discontinued operations comprise the United Kingdom painting business and include a loss of $3.2m attributable to transfer of a foreign curreny translation reserve to profit & loss*

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Appendix B

EBITA by division	Year ended 31 March 2011 $m	Year ended 31 March 2010[1] (Restated)[2] $m	% change
Continuing Operations			
Property & Infrastructure	31.5	31.7	(0.6%)
Resources & Industrial	14.3	22.6	(36.7%)
Workforce	11.1	8.0	38.8%
Unallocated	(8.9)	(4.3)	107.9%
Total Continuing Operations	**48.0**	**58.0**	**(17.3%)**
Restructuring Costs	(5.9)	0.0	
Discontinued Operations[3]	(12.4)	(0.9)	
Total Consolidated EBITA	**29.7**	**57.1**	**(48.1%)**

[1] *FY 2010 results includes 2 months contribution from KLM Group*

[2] *FY 2010 results have been restated as a result of the change in accounting policy for painting programmes announced on 10 November 2010 and reclassification of discontinued operations*

[3] *Discontinued operations comprise the United Kingdom painting business and include a loss of $3.2m attributable to transfer of a foreign curreny translation reserve to profit & loss*

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