



Annual General Meeting CEO – David Kirk

13 November 2003



PMP LIMITED





AIMS

Explain PMP's businesses

Explain what we are doing to improve performance





Geographic Spread

- An unequalled geographic spread of production facilities and sales & service teams





Australian Print Markets: Size, Products & Competitors

Total = \$6.8b

Products

Competitors

Heatset Web

1.1

- Magazines
- Retail catalogues
- Corporate & Government documents

PMP, IPMG, Argyle, AIW, Webstar

Sheetfed

2.5

- Short run high quality magazines
- Magazine covers
- Flyers
- Posters

3,500 small private operators
Penfold Buscombe

Coldset Web

3.2

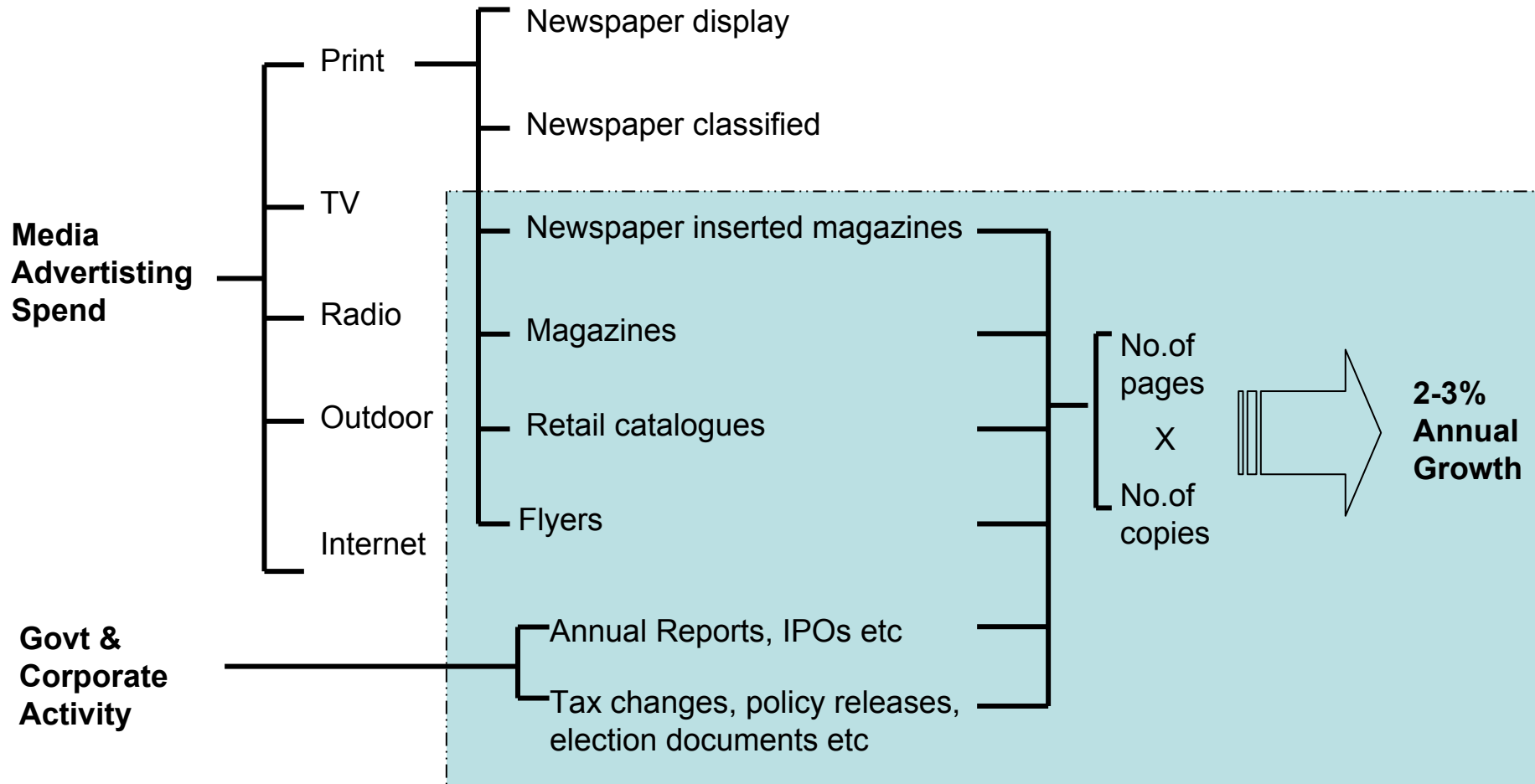
- Newspapers
- Low-end retail catalogues

News Ltd, Fairfax, WAN, Rural News, APN



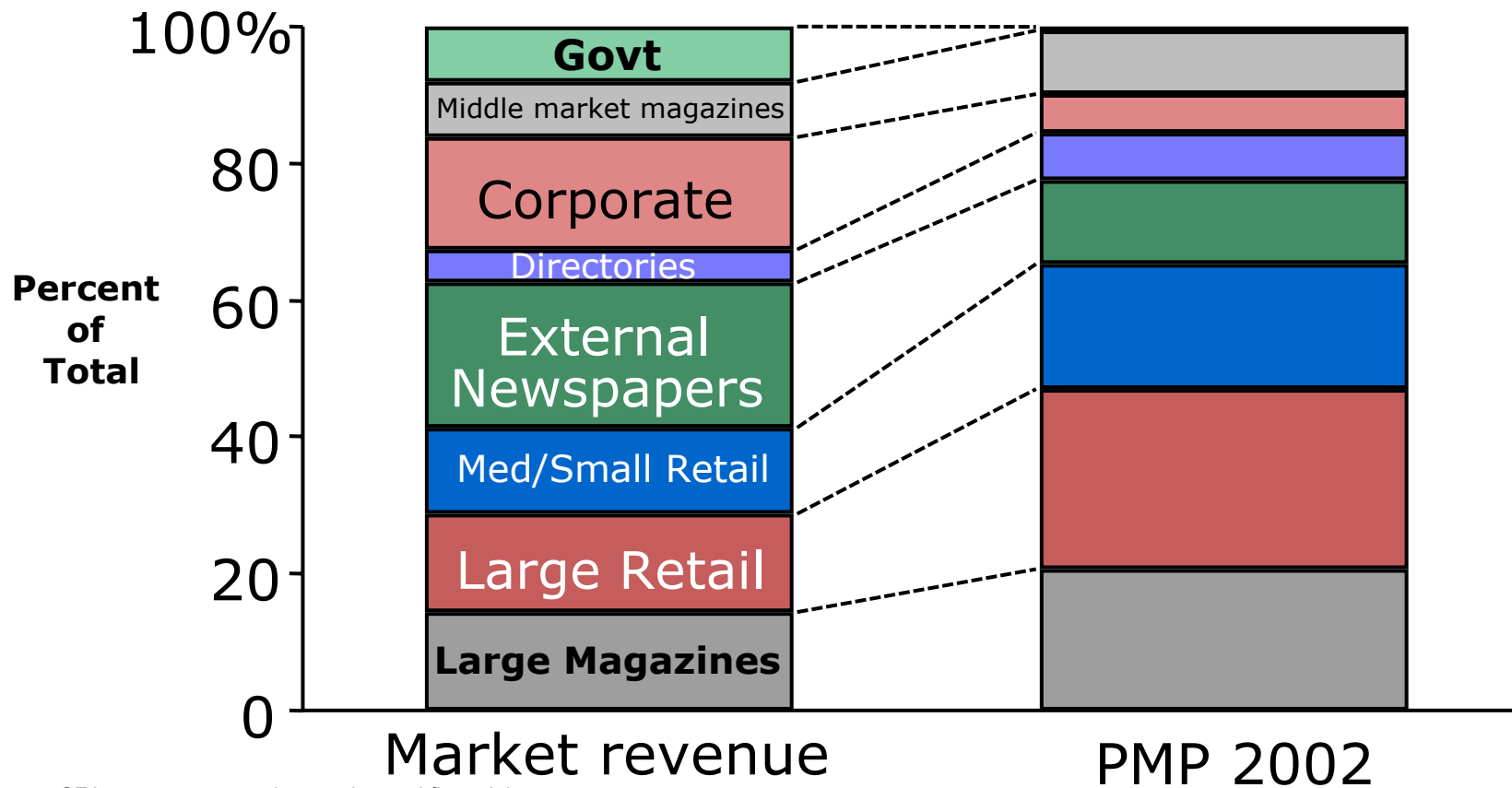


Drivers of Market Demand for Heat-Set Printing





PMP reflects the diverse nature of the market

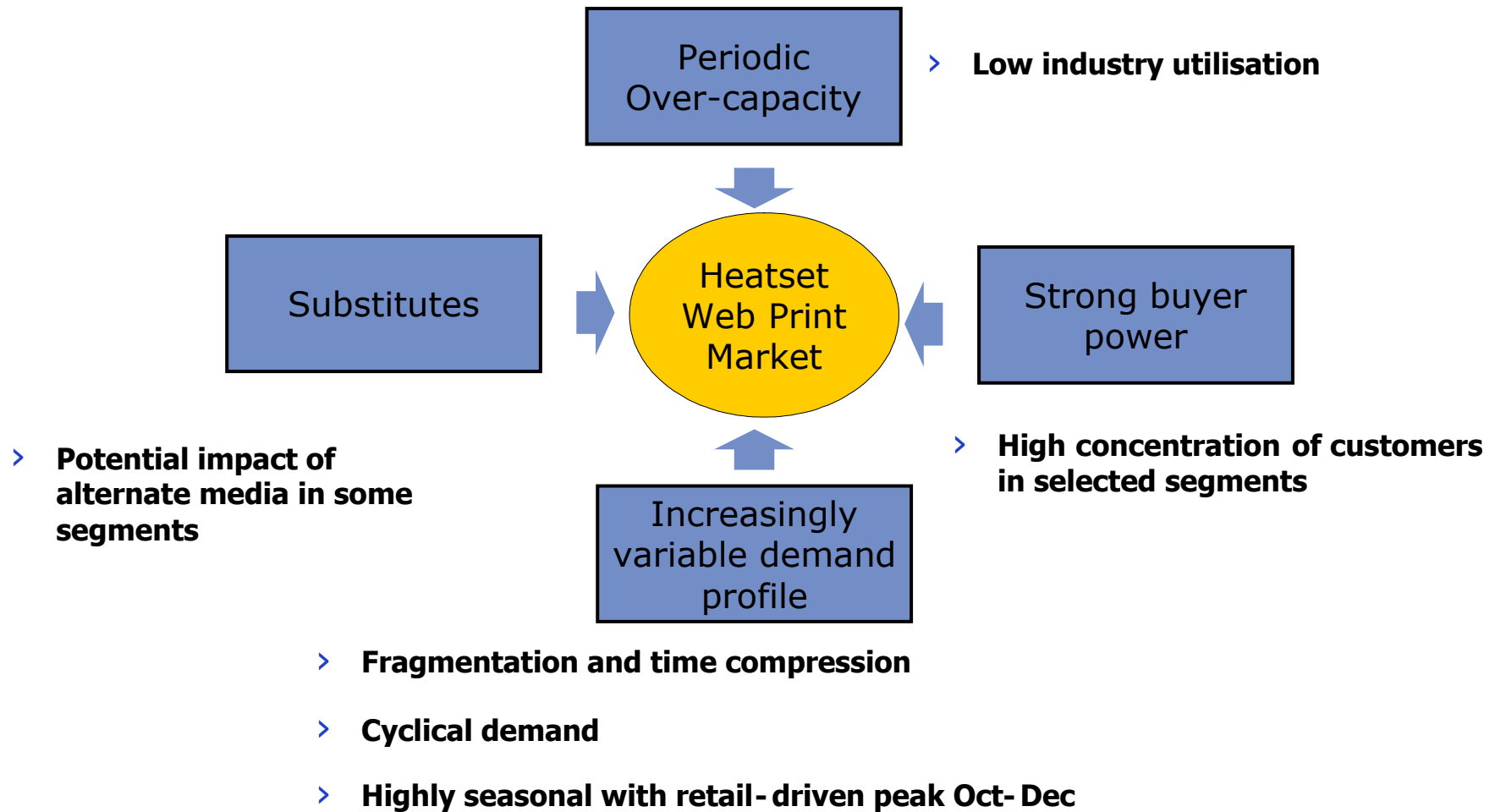


Source: CFA management estimates; internal financials





The fundamentals of the heatset printing market are challenging



Source: Company reports: PMP





Improvement Initiatives in Heat-Set Printing

- Restructure of the sales and service teams
- Cost reduction and efficiency improvement programs e.g. reduction of paper waste and spoilt work, increased press speeds, lower maintenance costs and improved production scheduling
- \$33 million investment in new capital equipment aimed at significantly reducing costs and improving product quality and flexibility

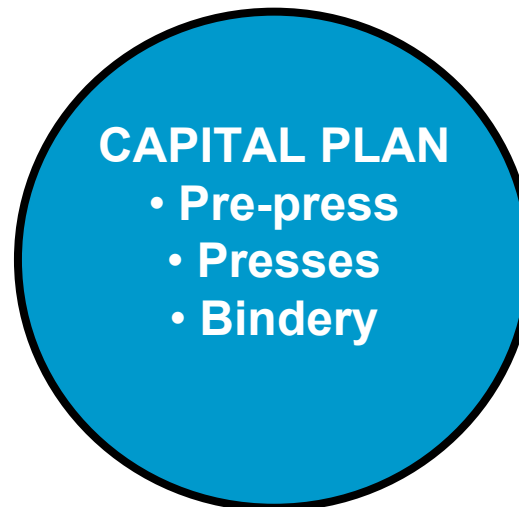




PMP Print Capital Planning

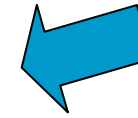
CUSTOMER NEEDS

- Quality
- Format
- Geography



COMPETITOR POSITION

- Market/segment
- Cost
- Flexibility



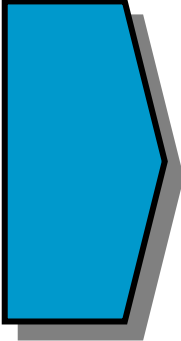
PMP PRODUCTIVITY

- Throughput
- Efficiency
- Format Flexibility
- Costs





PMP New Zealand

- Continuing solid growth in the domestic economy
 - The only company with heat-set presses in the North and South Island
 - A full service offer with PMP Distribution, PMP Digital, and Pinpoint Marketing capability
 - Leading market share in printing
- 
- New 32 page press into Christchurch and additional capacity in Auckland
 - A wide range of profit improvement initiatives including waste reduction, maintenance, scheduling and service improvement
 - Aim is to grow with the market in printing and improve earnings from media services businesses

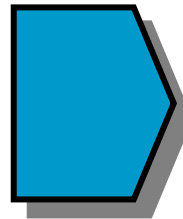




Griffin Press and Telephone Directory Printing

GRIFFIN PRESS

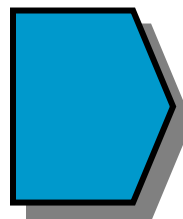
- One of two major book printers in Australia
- Concentrates on read-for-pleasure market
- Strong relationships with major publishers



- Flexibility and quick re-print capability, adjusting to shorter lead-times
- Improving manufacturing efficiency
- Grow with the market

TELEPHONE DIRECTORY PRINTING

- 50% of Telstra's printing needs
- Contract to 2007
- Slowly declining market with forecast lower profitability



- Manufacturing efficiency focus
- Delay re-investment decisions
- Monitor market situation





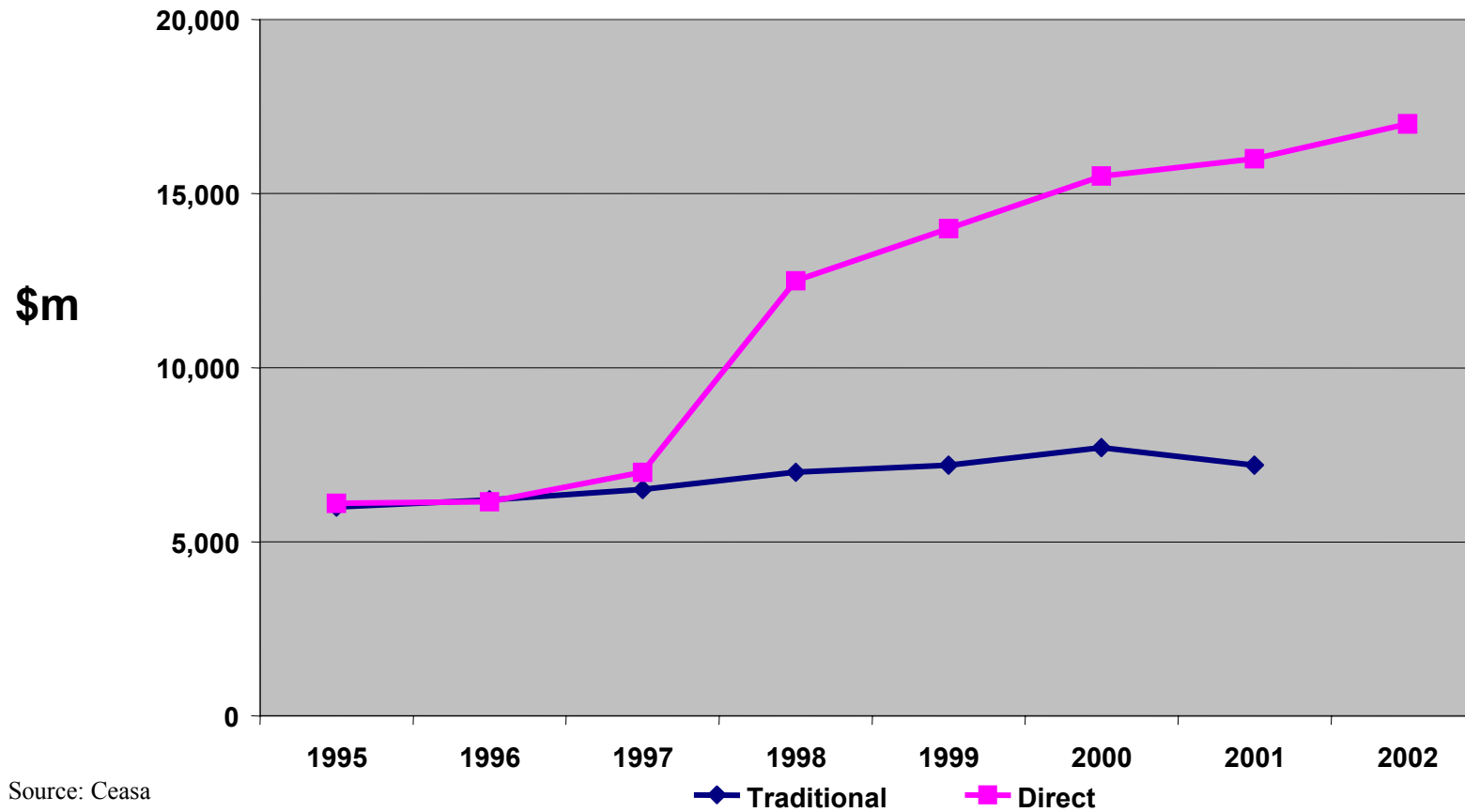
PMP Distribution - Letterbox Distribution

- One of two national letterbox targeters and distributors in Australia
- Delivers to 96% of Australian and NZ Households
- Competes with Salmat and Australia Post/NZ Post
- Aim to continue strong growth with the market and investigate new growth opportunities





Direct Marketing Spend v Traditional





Gordon and Gotch – Magazine Distribution

- Gordon and Gotch distributes 3,500 titles to 8,570 newsagents and other outlets – an annual total of 181 million magazines
- The only independent magazine distributor in Australia
- Improvement initiatives include:
 - Logistics alliance with the other major distributor
 - Replacement of IT system
 - Restructure of magazine returns management
 - New business wins

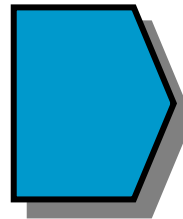




Pacific Micromarketing and PMS

PACIFIC MICROMARKETING

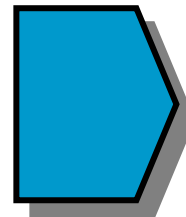
- Prospect database rental
- Database management service
- Micromarketing



- Fast growing markets related to direct marketing
- Experian relationship and software underpins micromarketing business
- Small business – modest aims for 2003/04

PRINT MANAGEMENT SOLUTIONS

- Consolidation and management of printing for major Corporates and Governments
- Includes sourcing of logistics, wrapping and mailing services



- Competitive, low margins
- Strong customer service capability and culture





Risks

- A slowdown in economic growth and advertising spend
- New entrants (with unsustainable economics) into heatset printing
- Continued fragmentation, technology driven change and resulting lower returns from our digital business.





Priorities

- Developing a clearer and more compelling customer value and service approach
- Implementing our Performance Improvement Programs and turning them into “a way of doing business”
- Building a stronger performance and people development culture
- Paying down debt
- Reinvesting in the core business where we see good payback
- Investigating growth areas

