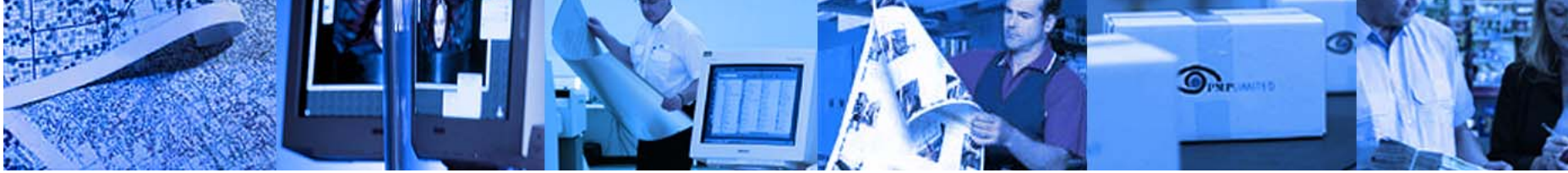




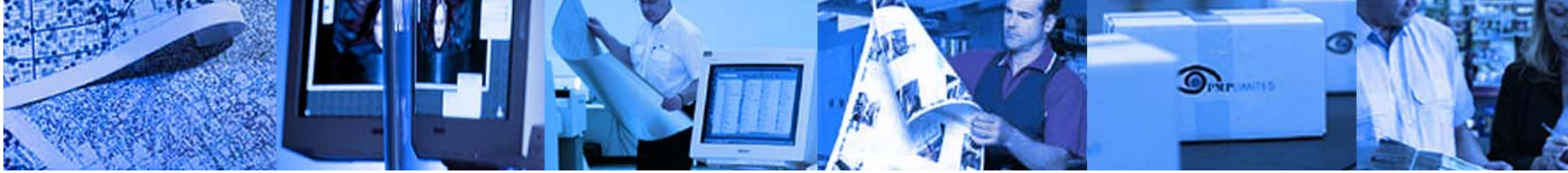
PMP Limited
Half Year Results Presentation

Thursday 19th February 2004



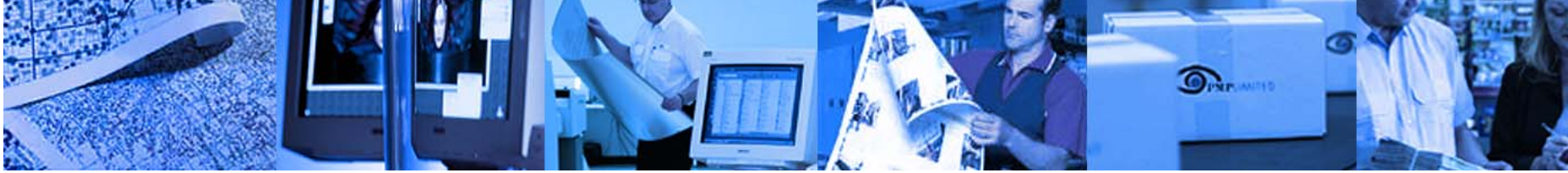
AGENDA

- › Interim Results Highlights David Kirk (CEO)
- › Review of Financial Results Richard Allely (CFO)
- › Divisional Reviews David Kirk (CEO)
- › Market Outlook David Kirk (CEO)
- › Financial Outlook FY04 David Kirk (CEO)
- › Questions



Interim Results Highlights

David Kirk – Chief Executive Officer



Interim Results Highlights

Key Points

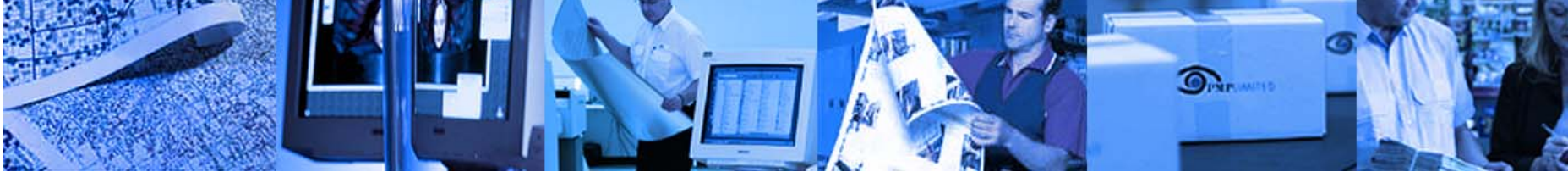
- › Net Profit (before significant items) up by 71.4% on pcp or 91.7% on a like with like basis
- › EBIT of \$46.0m up 23.0% on pcp or 33.7% on a like with like basis
- › Cash Borrowing costs down to \$13.5m (pcp \$19.0m)
- › Net Debt reduced to \$237m (\$252m pcp)
- › Net Assets increased to \$158m (\$138m at 30/6/03)
- › S&P Credit rating BB+ strengthened with upgraded outlook (Neutral)
- › Employee numbers (FTE's) 3,494 down 487 from June 30 2003



Interim Results Highlights

How will we measure and report our performance

		31 Dec 2002	31 Dec 2003	Variance
Operating Performance	EBIT	37.4m	46.0m	8.6m
	EBIT %	5.4%	7.1%	1.7%
Cash for debt repayment, distribution or growth	Net Free Cash Flow	189.8m	10.2m	(179.6m)
Economic Value Creation	ROCE%	9.5%	10.9%	1.4%
Growth over time	EPS (Pre Sig)	5.5	9.5	4.0
	EPS (Post Sig)	10.2	6.9	(3.3)



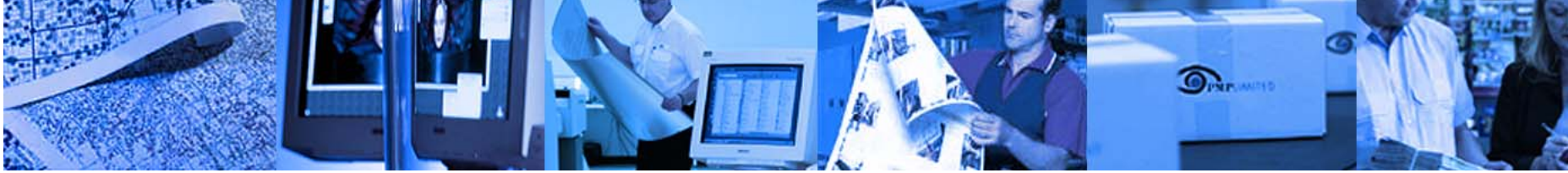
Performance Improvement Program

Key Points

› Target \$30m EBIT uplift on adjusted base 2003 / 2004

- Australian Print \$16.4m
 - Hawthorn closure Done
 - Capital initiatives Done
 - Manufacturing efficiency Target met – Ongoing
 - Revenue initiatives Mixed Results

- Other initiatives \$13.6m
 - Digital restructure Done + Additional
 - Digital revenue Slower Uptake
 - Gordon & Gotch Delayed; No Impact on Target
 - Group projects Exceeded Targets
 - Shared Services Done



Review of Financial Results

Richard Allely – Chief Financial Officer



STATEMENT OF FINANCIAL PERFORMANCE

31 December 2003

	2003	2002	Variance
	(\$m)	(\$m)	%
Sales Revenue	644.5	684.6	(5.8%)
EBITDA	64.3	58.4	10.1%
Depreciation & Amortisation	(18.3)	(21.0)	12.9%
EBIT	46.0	37.4	23.0%
Share of Associates Profit	0.1	0.0	-
Interest Expense	(17.0)	(17.8)	4.5%
Income Tax Expense	(1.5)	(3.5)	57.1%
Net Profit (before significant items)	27.6	16.1	71.4%



STATEMENT OF FINANCIAL PERFORMANCE (Like with Like)

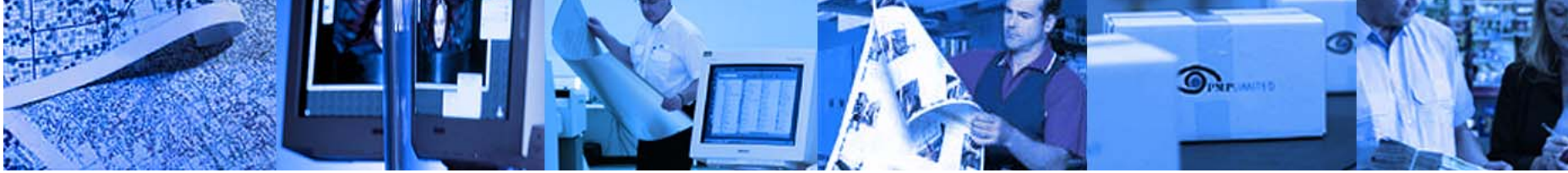
31 December 2003

	2003	2002	Variance
	(\$m)	(\$m)	%
Sales Revenue	644.5	664.7	(3.0%)
EBITDA	64.3	55.4	16.1%
Depreciation & Amortisation	(18.3)	(21.0)	12.9%
EBIT	46.0	34.4	33.7%
Share of Associates Profit	0.1	0.0	-
Interest Expense	(17.0)	(17.8)	4.5%
Income Tax Expense	(1.5)	(2.2)	31.8%
Net Profit (before significant items)	27.6	14.4	91.7%



STATEMENT OF FINANCIAL POSITION

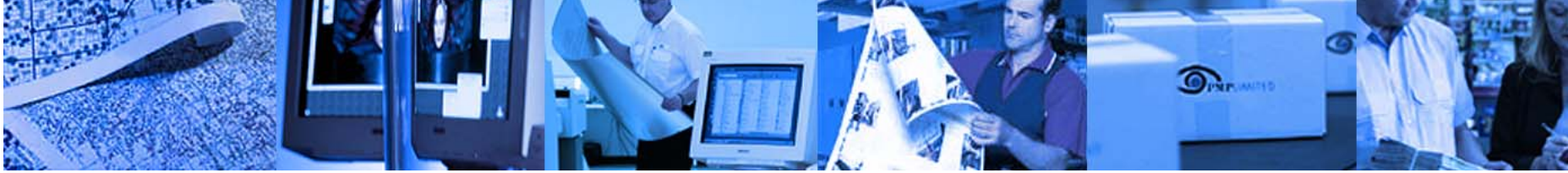
	Dec 2003 (\$m)	Jun 2003 (\$m)	Dec 2002 (\$m)
Intangible	69.9	72.7	75.5
Property, Plant & Equipment	297.4	282.3	292.6
Investments	0.4	1.4	1.4
Deferred Tax Assets	34.4	31.9	32.7
Receivables	155.0	133.7	152.5
Inventories	69.0	82.1	78.8
Other Assets	16.0	17.3	21.5
Net Borrowings	(237.0)	(247.2)	(251.8)
Other Liabilities	(247.1)	(235.8)	(251.8)
Net Assets	158.0	138.4	151.4



CASH FLOW

As at 31 December

	Dec 2003 (\$m)	Dec 2002 (\$m)
	<hr/>	<hr/>
EBITDA (including significant items)	56.7	71.8
Net Interest Paid	(13.5)	(19.0)
Income Tax Paid	(4.1)	(10.6)
Net movement in Working Capital	(7.2)	(13.7)
Cash Flow from Operating Activities	<hr/> 31.9	<hr/> 28.5
Net Cash Flow from / (applied) to investing activities	(21.7)	161.3
Net Free Cash Flow	<hr/> 10.2 <hr/>	<hr/> 189.8 <hr/>



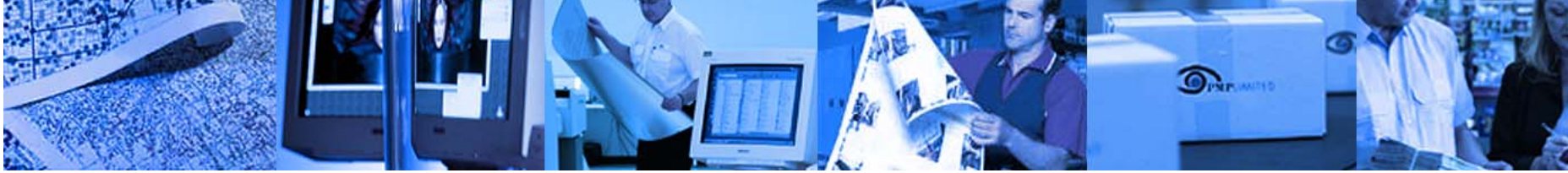
Business Unit Review

David Kirk – Chief Executive Officer



FINANCIAL PERFORMANCE – Print & Distribution

	(\$m) Dec 03	(\$m) Dec 02	Variance %
Sales Revenue	408.4	428.6	(4.7%)
EBITDA	54.9	47.6	15.3%
Depreciation & Amortisation	(13.7)	(15.9)	13.8%
EBIT (Before significant items)	41.2	31.7	30.0%
EBITDA Margin	13.4%	11.1%	2.3%
EBIT Margin	10.1%	7.4%	2.7%



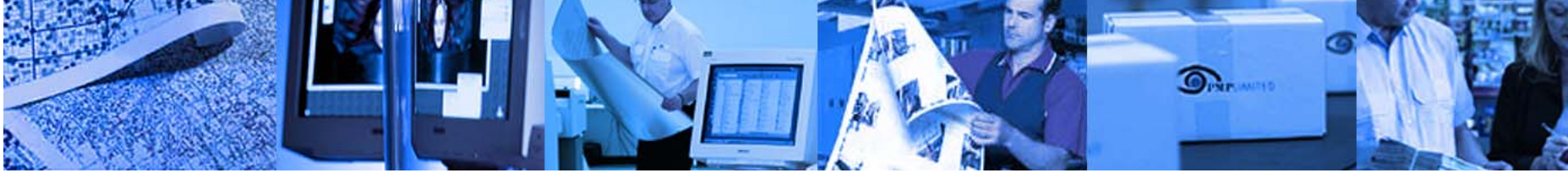
PMP Print Australia

Highlights

- › Print volumes up slightly on pcp
- › Margin improvement in core web heat set printing (mostly cost driven)
- › Griffin Press increase number of titles & improve profit margins
- › Directory printing shows modest improvement in profitability
- › Overhead costs tightly controlled and below pcp
- › Successfully installed new bindery equipment

Priorities

- › Deliver year end gains from profit improvement program
- › Embed performance improvement culture
- › Conclude capital equipment program for 2003/04



PMP New Zealand

Highlights

- › Print volumes continue to improve
- › Operational efficiencies contribute to 15% earnings improvement on pcp
- › 32 page press from Moorabin Vic. (closed) site relocated to Auckland

Priorities

- › Deliver year end gains from profit improvement program
- › Embed performance improvement culture
- › Installation of new 32 page press for Christchurch to replace two old presses
- › Improvement in profitability of digital and distribution businesses



PMP Distribution

Highlights

- › Direct mail market continues to grow strongly
- › Continued strong revenue and earnings growth

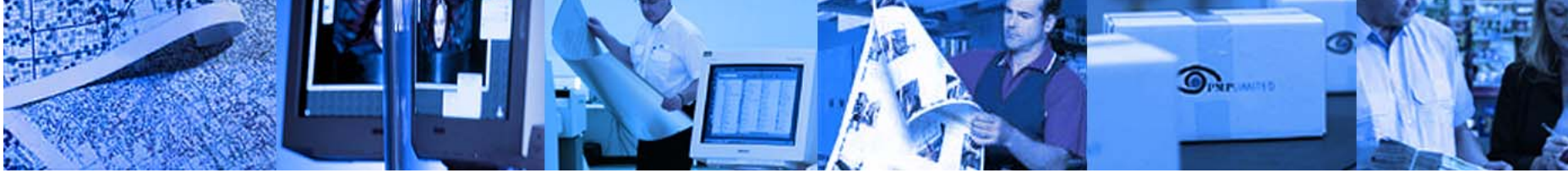
Priorities

- › Improve quality of offer, including closer integration with Pacific Micromarketing targeting capability
- › Improve network capability and effectiveness
- › Maintain market share and growth



FINANCIAL PERFORMANCE – PMP Digital

	(\$m) Dec 03	(\$m) Dec 02	Variance %
Sales Revenue	49.4	47.9	3.1%
EBITDA	7.2	5.8	24.0%
Depreciation & Amortisation	(3.9)	(4.3)	9.3%
EBIT (Before significant items)	3.3	1.5	120.0%
EBITDA Margin	14.6%	12.1%	2.5%
EBIT Margin	6.6%	3.1%	3.5%



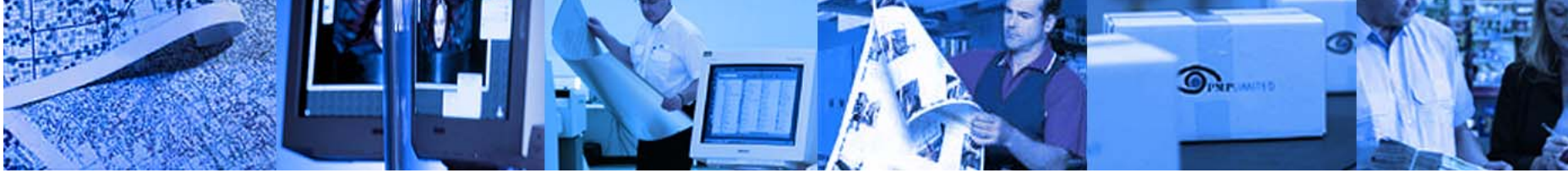
PMP Digital

Highlights

- › Improved profitability compared to pcp
- › Successful implementation of PMPOne software and digital workflow process redesign at CML (work-in-progress)
- › Further restructuring and redundancies – Lane Cove site exited and to be sold – co-location at Moorebank print site

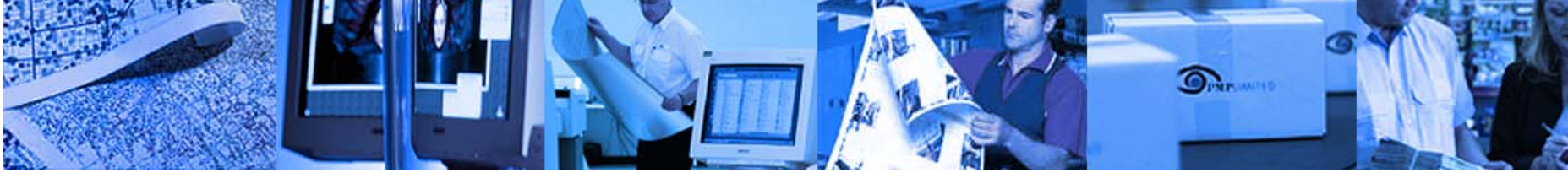
Priorities

- › Further integrate Digital Imaging business with print business
- › Profitable growth in core graphic arts and Print Management Services
- › Further penetration with PMPOne of digital workflow management services market



FINANCIAL PERFORMANCE – Pacific Micromarketing

	(\$m)	(\$m)	Variance
	Dec 03	Dec 02	%
Sales Revenue	4.8	4.3	11.6%
EBITDA	0.2	(0.6)	133.3%
Depreciation & Amortisation	(0.2)	(0.2)	0.0%
EBIT (Before significant items)	0.0	(0.8)	100.0%
EBITDA Margin	4.2%	(13.9%)	18.1%
EBIT Margin	0.0%	(18.6%)	18.6%



Pacific Micromarketing

Highlights

- › Breakeven result for the first half (\$0.8 million improvement on pcp)
- › Clearer strategy – renewed focus on Micromarketing capability and value of Experian licences
- › Reduced overheads

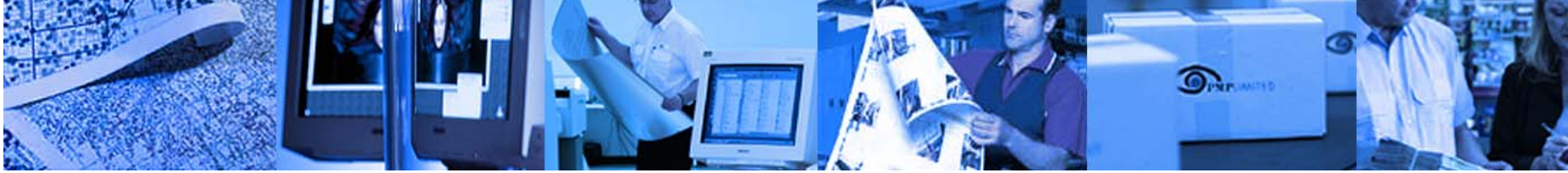
Priorities

- › Deliver the year end
- › Leverage Experian licence and suite of products; build other services in support of core Micromarketing capability
- › Integrate targeting offer more effectively with PMP Distribution



FINANCIAL PERFORMANCE – Gordon & Gotch

	(\$m)	(\$m)	Variance
	Dec 03	Dec 02	%
Sales Revenue	186.8	186.0	0.4%
EBITDA	2.0	2.4	(16.7%)
Depreciation & Amortisation	(0.5)	(0.4)	(25.0%)
EBIT (Before significant items)	1.5	2.0	(25.0%)
EBITDA Margin	1.0%	1.2%	(0.2%)
EBIT Margin	0.8%	1.0%	(0.2%)



Gordon & Gotch

Highlights

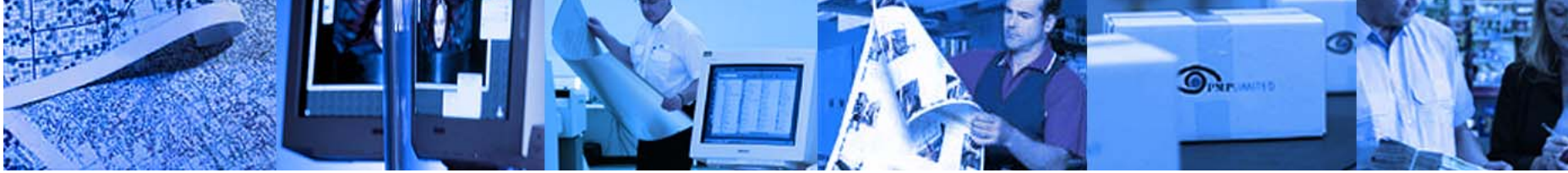
- › New business replaces loss of TV Week, Whats on Weekly and Murdoch Magazines to deliver unchanged revenue
- › Growth in domestic publisher sales Vs international impacts margin
- › JD Edwards ERP system turned on and operating satisfactorily

Priorities

- › Warehousing and transport cost reduction – joint tendering with Network (ACP)
- › Bedding down of new ERP system and improved customer offer – information on allocations and returns
- › Restructure of physical returns management process

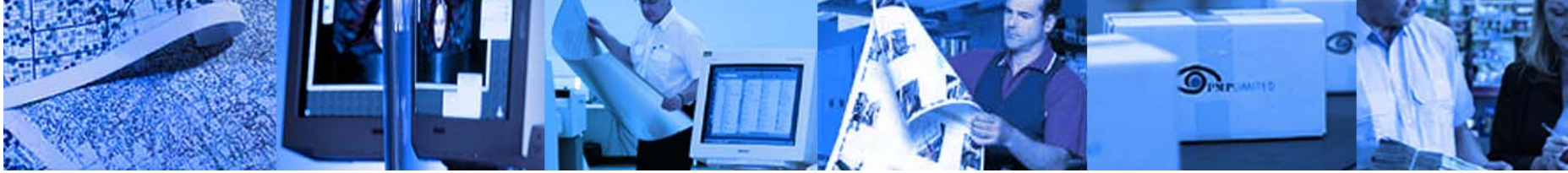


Market Outlook

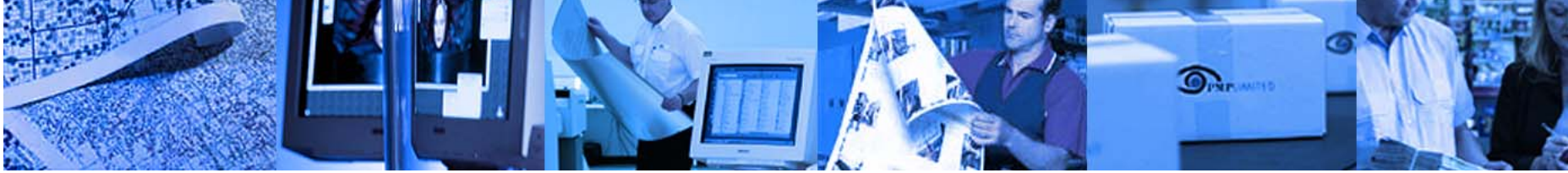


Outlook

- › Modest improvement in advertising market
- › Direct marketing (retail) and magazine (inserted and paid) leading heat set growth
- › Continuation of current competitive conditions in all markets
- › Focus on sales mix and yield management
- › Continued cost reduction and productivity gains



Financial Outlook FY04



Outlook for FY04

- › PMP is comfortable with the lower end of market consensus EBIT (Range \$70m - \$76m)
- › Capital expenditure approx. \$45 million
- › Net Debt revised target for <\$222 million
- › Interest expense approx. \$31 million (cash interest paid \$26m)
- › Restructuring costs approx. \$18 million



Thank You!

Questions?