



PROGRAMMED

Acquisition of Skilled Group

Chris Sutherland, Managing Director

24 June 2015



Important notice and disclaimer

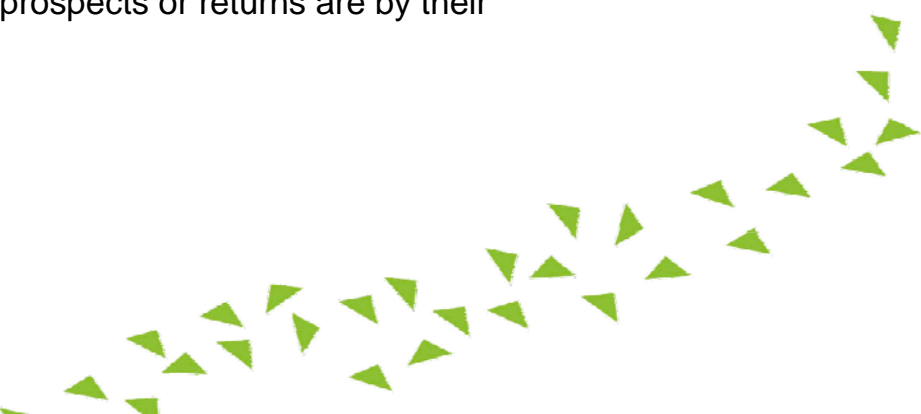


The information contained in this presentation is for information purposes only and does not constitute an offer to issue, or arrange to issue, securities or other financial products. The information contained in this presentation is not investment or financial product advice and is not intended to be used as the basis for making an investment decision.

This presentation has been prepared without taking into account the investment objectives, financial situation or particular needs of any particular person. 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.

No representation or warranty, express or implied, is made as to the fairness, accuracy, completeness or correctness of the information, opinions and conclusions contained in this presentation. To the maximum extent permitted by law, none of Programmed Maintenance Services Limited, its directors, employees or agents, nor any other person accepts any liability, including, without limitation, any liability arising out of fault or negligence, for any loss arising from the use of the information contained in this presentation.

In particular, no representation or warranty, express or implied, is given as to the accuracy, completeness, likelihood of achievement or reasonableness of any forecasts, projections, prospects or returns contained in this presentation. Such forecasts, projections, prospects or returns are by their nature subject to significant uncertainties and contingencies.



Safety pause



JSA – Job Safety Analysis

Every Job needs a plan



NOTES:

- Actual box dimensions are 1816mm x 1190mm x 320mm. (ie, 3 x boxes are shown in photo.)
- Actual box has only 2 hand openings thus making 4 person lift difficult.
- Actual task requires a lift height of approx. 300-400—mm and a lateral travel of approx. 500 – 1000mm to place onto trolley as per below photo. Assessment of the lift indicates, 2 men can safely manage the box onto the trolley with good control of the box.

Summary

1 Transaction overview

- ✦ Programmed to acquire 100% of Skilled¹ via a recommended scheme of arrangement (“**Scheme**”)

2 Terms

- ✦ 0.55 Programmed shares for each Skilled share (“**Scrip Scheme Consideration**”) **PLUS** \$0.25 cash for each Skilled share (“**Cash Scheme Consideration²**”)
- ✦ Programmed shareholders to own 47.6% of the combined group

3 Strategic rationale

- ✦ Increased scale enabling lower unit costs and enhanced organic growth opportunities
- ✦ Improved sector and customer diversification
- ✦ Enhanced capability to compete for larger contracted outsourcing opportunities

4

Synergies and integration

- ✦ More than \$20m of pre tax synergies within 12 months of implementation
- ✦ Plan to capture further synergies thereafter
- ✦ Joint integration committee formed to develop and execute effective implementation and deliver the synergies

5

Financial impact

- ✦ Expected to be materially EPS accretive ¹
- ✦ Greater trading liquidity and other equity market benefits
- ✦ Target net debt/EBITDA of combined group is 2.0x or less², deleveraging from there

6

Timetable and conditions

- ✦ Limited conditions: Material adverse change, Skilled shareholder approval, favourable independent expert's report
- ✦ Scheme meeting expected late September, implementation shortly thereafter

Vision for the combined group



Increased scale

- ✓ A larger group enables lower unit costs and enhanced organic growth opportunities

Enhanced capability

- ✓ Will provide greater ability to compete for larger outsourcing opportunities that are emerging in the market place

Significant synergies

- ✓ More than \$20m of pre tax synergies within 12 months of implementation
- ✓ Plan to capture further synergies thereafter

Market leadership

- ✓ Market leadership used to drive a stronger brand; with the best people; improved customer service, risk management and contract performance; and application of the best IT systems and online tools



Programmed's vision is to create a stronger, more efficient and more competitive workforce solution provider covering staffing, maintenance and facility management operations, diversified across all sectors of the economy and better positioned to take advantage of growth opportunities



Conservative capital structure

- ✓ Target net debt/EBITDA of combined group is 2.0x or less²; deleveraging from there

Improved earnings diversity

- ✓ Greater resilience to withstand external challenges

Complementary customer base

- ✓ Limited customer overlap and good opportunities to sell further services across all customers

Strong financial metrics

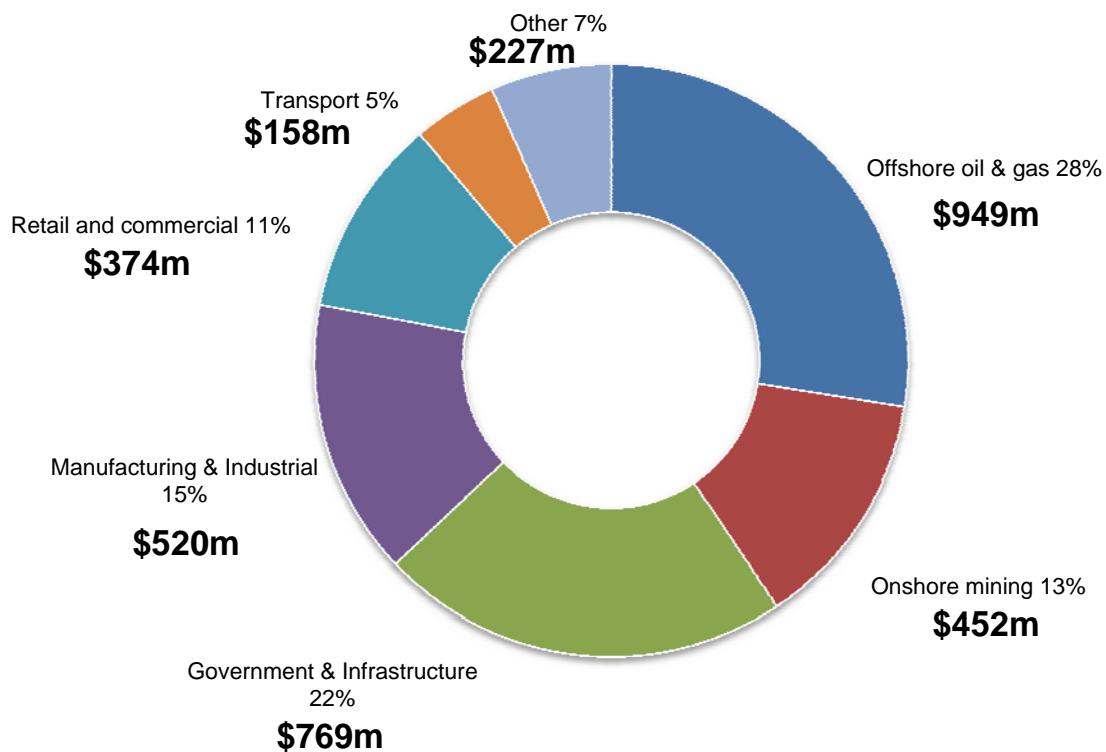
- ✓ Expected to be materially EPS accretive ¹

Combined group revenue



>\$3.4bn revenue¹, increased end market diversity

FY15 Revenue by industry²



1. Total revenue based on Programmed 's FY15 reported results (March year end) and current Skilled FY15 broker consensus forecasts (June year end)
2. Skilled exposure by industry/geography based on 1HFY15 results applied to FY15 broker consensus forecasts.

Combined group overview



Chris Sutherland to continue as CEO of Programmed with the management team to consist of executives from both Programmed and Skilled

	Maintenance and Facility Management	Marine	Staffing
Activities	<ul style="list-style-type: none"> Long term contracts Painting, grounds, corporate imaging, electrical and communications Facilities and project management Industrial / plant / mining and industrial maintenance and shutdown services 	<ul style="list-style-type: none"> Vessel management and manning Offshore oil and gas construction support, maintenance and operational services Catering and hotel services Logistics and project management 	<ul style="list-style-type: none"> Blue collar White collar / professional / semi professional Managed workforce OneShift
Customers	<ul style="list-style-type: none"> Education Social housing Health Aged care Retail Mining Manufacturing Water Tourism Transport 	<ul style="list-style-type: none"> Offshore oil and gas Ports and harbour Coastal mining 	<ul style="list-style-type: none"> Health Engineering Mining Construction Transport & logistics Manufacturing IT
Revenue ¹ \$3.4bn	\$1.1bn (32%)	\$0.8bn (24%)	\$1.5bn (44%)

1. Segment revenue based on the following assumptions:

Maintenance and Facility Management: FY15 reported revenue from Programmed's Property and Infrastructure segment and estimated \$275m revenue contribution from Ativo and Thomas and Coffey

Offshore: FY15 reported revenue from Programmed's Marine segment and FY15 broker consensus forecast for Skilled's Engineering and Marine Services segment less estimated \$275m revenue contribution from Ativo and Thomas and Coffey

Workforce: FY15 reported revenue from Programmed's Workforce segment and FY15 broker consensus forecast for Skilled's Workforce and Technical Professional segment

Maintenance and Facility Management

Segment overview

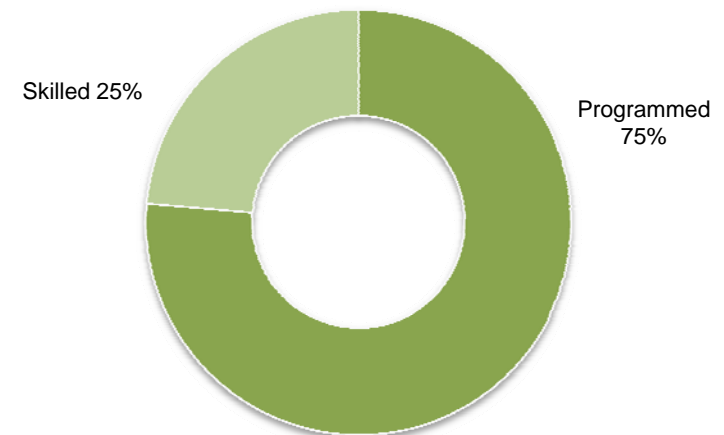


Segment overview

- Programmed has a large maintenance and facility management business and is well advanced in building a strong presence in the PPP infrastructure market
- Skilled has a smaller engineering maintenance business focused in the manufacturing, industrial and mining markets
- Highly cash generative businesses with relatively stable long-term revenue streams
- Combination will provide improved diversity for both sets of shareholders
- Enhanced ability to compete for larger contracted outsourcing opportunities that are emerging in the marketplace

Financial contribution¹

FY15 REVENUE
c\$1.1bn



Marine

Segment Overview

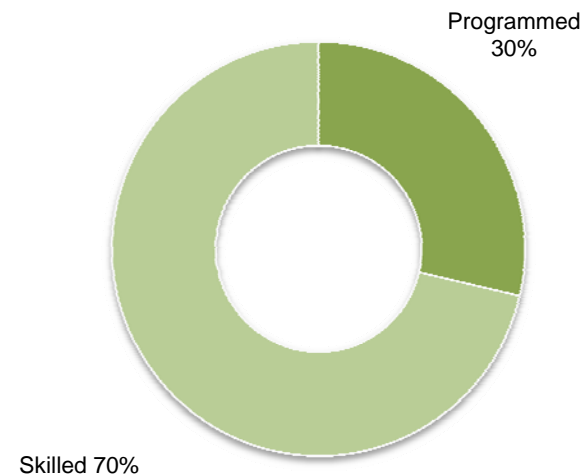


Segment overview

- Programmed offers outsourced vessel management, manning and logistics services
- Skilled operates a number of vessels as well as providing outsourced vessel management, manning and logistics services
- The businesses are complementary in key port locations in Northern Australia and New Zealand
- Combination better positioned to manage a lower oil price environment

Financial contribution¹

FY15 REVENUE
c\$0.8bn



Staffing

Segment overview

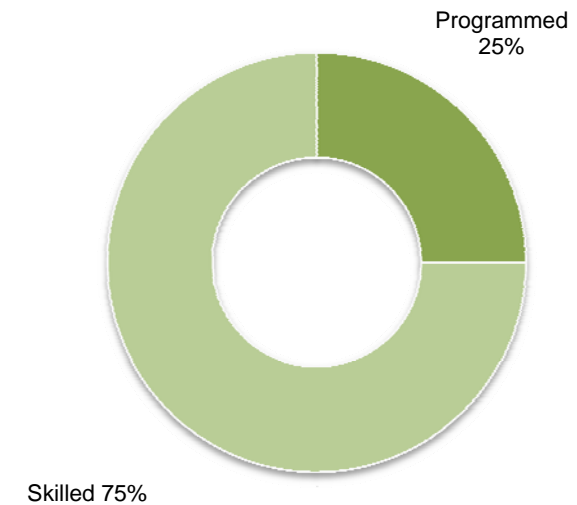


Segment overview

- ✿ Significantly enhances scale
- ✿ Lower unit costs
- ✿ Can leverage existing technology investments
- ✿ Improve risk management
- ✿ Opportunity to sell Skilled white collar services to Programmed customers

Financial contribution¹

FY15 REVENUE
c\$1.5bn



Synergies



- ✿ Project more than \$20m of pre tax synergies after 12 months from the implementation date
- ✿ Plans to capture further synergies thereafter
- ✿ No 'net synergy benefit' expected during Programmed FY16 ending March 2016, after taking into account expected integration costs and timing (approximately \$11m)

Revenue opportunities

- ✿ Enhanced selling opportunities across a wider pool of customers
- ✿ Leveraging significantly enlarged database of employees
- ✿ Large size of group enhances ability to compete for larger outsourcing opportunities emerging in the market

Cost benefits

- ✿ Corporate cost savings
- ✿ HR/workers compensation savings
- ✿ Office/branch cost savings
- ✿ IT cost savings



Key transaction terms



Refer to the full Scheme Implementation Agreement attached to Programmed's ASX announcement

Conditions	<ul style="list-style-type: none">* Material adverse change* Skilled shareholder approval* Independent Expert's Report confirming best interest test for Skilled shareholders
Joint Integration Committee	<ul style="list-style-type: none">* Committee formed and will hold regular meetings
Break Fee	<ul style="list-style-type: none">* \$3.5 million reciprocal
Exclusivity	<ul style="list-style-type: none">* Non-solicit, no-shop, matching right



Timetable

Skilled Scheme Booklet submitted to ASIC	Early August 2015
First Court Date	Mid August 2015
Scheme Meeting for Skilled shareholders	Late September 2015
Second Court Date	Early October 2015
Effective Date	Early October 2015
Implementation Date	Mid October 2015

