

INVESTOR PRESENTATION

Results for the 12 months ended 30 June 2011

18th AUGUST 2011

- Richard Allely CEO
- Geoff Stephenson CFO



2011 FULL YEAR Results - Agenda

- Overview of FY11 Performance – Richard Allely
- Financial Performance – Geoff Stephenson
- Business Unit Review – Richard Allely
- Outlook – Richard Allely
- Questions

Full Year Performance Overview

Richard Allely, CEO

Full Year Performance Overview

- Safety



- Positive lead indicators for the year
- Whilst LTIFR above last year, positive moving into Q1

- EBIT* at \$56.7M in line with market guidance



EBIT* up 8.5% YOY:

- Print AU up 16%
- Print NZ up 10%
- Distribution AU returns to profit

- Transformation of NZ business – minor delays



- Commenced production at new site
- New customer wins in APN/Retail
- Project on track to complete Jan 2012

- Record low debt levels (\$141M)



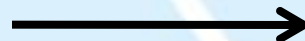
- Operating cashflow \$70.2M
- Debt down \$27.1M

- Low gearing level



- Debt to Equity at 40% (vs 45% LY)
- Interest cover 6.7x up from 5.3x

- Final dividend 1c per share



- Declared from current year profits
- Franking credits available
- ATO ruling sought

* Before significant items

Significant Events

▪ Transformation plan objectives – November 2010 :

- Combine Heatset sites in Auckland
 - Rationalise operations, reduce cost base improve operational efficiencies
 - Reduce from 8 presses to 5 in Auckland and enhance customer service/speed to market
- Upgrade equipment in WA

▪ NZ Transformation status :

- Move to new Wiri site in Auckland well underway, with two presses now operational at the new site
- Print NZ transition to APN/Retail clients completed
- Final site commissioning 3 to 4 months later than planned

Significant Events

▪ **Australian Transformation status :**

- Market demand assessed, press configuration finalised
- Expect order to be placed in the coming months

▪ **Scribo Impairment and closure**

- Strategic review completed, closure announced June 2011
- Total write down \$25.7M, of which \$22.7M non cash and \$3.0M cash

Financial Performance

Results for the 12 months ended 30 June 2011

Geoff Stephenson, CFO

Income Statement

| \$m | 2011 | 2010 | Change |
|---|---------|---------|--------|
| Revenue (Operating Revenue) | 1,194.3 | 1,212.1 | (1.5%) |
| EBITDA (before significant items) | 100.1 | 92.8 | 7.8% |
| EBIT (before significant items) [#] | 56.7 | 52.2 | 8.5% |
| Net Profit (before significant items) after tax | 28.7 | 24.5 | 17.1% |
| Significant items post tax | (40.0) | (3.9) | |
| Net (loss)/profit (after significant items) | (11.3) | 20.6 | |

FY11 EBIT includes \$2.5M Directories contract amortisation of intangibles

FY11 Group Performance

| \$m | 2011 | 2010 | % |
|---------------------------------------|-------|------|---------|
| EBIT* | 56.7 | 52.2 | 8.5% |
| EBIT*/Sales | 4.7% | 4.3% | |
| Net Profit after tax (pre sig. items) | 28.7 | 24.5 | 17.1% |
| EPS (cents) | (3.4) | 6.1 | |
| DPS (cents) | 1.0 | 1.0 | |
| Free Cash flow (\$m) | 27.1 | 40.2 | (32.7%) |
| Return on Funds Employed ** | 10.9% | 9.5% | |

* EBIT before significant items.

** ROFE equals EBIT/Average Funds Employed (equity + net debt)

Significant Items - FY11

| | \$m |
|--------------------------------------|-------------|
| Site relocations/Leases | 5.0 |
| Redundancies | 7.1 |
| Other restructuring | 3.9 |
| Gain on sale of land and buildings | (2.4) |
| Cash Sig.items | 13.6 |
| Asset impairments - NZ | 5.3 |
| Write down of assets held for resale | 7.6 |
| Non-cash Sig.items | 12.9 |
| Total Transformation | 26.5 |
| Impairment/closure of Scribo* | 25.7 |
| Significant Items pre tax | 52.2 |
| Tax benefit | (12.2) |
| Significant Items post tax | 40.0 |

* Includes \$3.0M cash items

Balance Sheet Statistics - 30 June 2011

| \$m | Jun-11 | Dec-10 | Jun -10 |
|------------------------------------|--------|--------|---------|
| Total Assets (\$m) | 738.1 | 768.6 | 792.8 |
| Shareholders Funds (\$m) | 355.3 | 354.2 | 374.9 |
| Net Debt (\$m) | 141.0 | 142.6 | 168.1 |
| Debt to equity (%) | 39.7% | 40.3% | 44.8% |
| Interest cover (x times) | 6.7 | 7.1 | 5.3 |
| Trade Working Capital (\$m) | 48.3 | 48.8 | 44.1 |
| Working Capital/Sales (%) | 4.0% | 4.1% | 3.6% |
| Return on Funds Employed* | 10.9% | 10.4% | 9.5% |

* EBIT Before significant items and 12 months rolling average funds employed

Transformation Plan Cash Flows

| Announced at AGM | Cash Spend (\$m) | FY11 Actual | Balance FY12 | Total |
|------------------|-------------------|-------------|--------------|-------------|
| 15.0 | Significant items | 7.8 | 5.8 | 13.6 |
| 30.0 | Capex | 14.7 | 13.3 | 28.0 |
| 45.0 | Total | 22.5 | 19.1 | 41.6 |

- Transformation cash spend \$3M under plan at \$42M
- Savings in FY13 on track \$28M pa :
 - Minor timing issue in FY12 - WA press and NZ transformation
 - FY12 savings expected \$17M

Excludes Scribo

Cash Flow Statement

| \$m | 2011 | 2010 |
|--|-------------|-------------|
| EBITDA (Before significant items) | 100.1 | 92.8 |
| Less: Cash Significant items | (7.8) | (5.0) |
| EBITDA (cash) | 92.3 | 87.8 |
| Borrowing costs | (16.5) | (17.1) |
| Income tax refunds/(paid) | (1.0) | 1.8 |
| Net movement in working capital | (4.6) | 2.2 |
| Cash flow from operating activities | 70.2 | 74.7 |
| Dividends paid | (3.4) | 0.0 |
| Share Buy back | (3.7) | 0.0 |
| BAU Capex spend | (24.3) | (32.5) |
| Capex for Transformation and acquisitions | (14.7) | 0.0 |
| Gain/(Loss) on translation of NZ Debt | 3.0 | (2.0) |
| Free Cash flow | 27.1 | 40.2 |

Current Debt Facilities

- Net debt at 30 June 2011 = \$141.0M
- New Forward Start Facility = \$210M
 - Commences 4 May 2012
 - Matures 30 September 2014
 - Full revolver – AUD & NZD
 - ANZ & CBA remain as lenders with increased commitments (replacing commitments of Rabo & TD who have exited the market)
- Debt/EBITDA strengthened to 1.41x(Jun-11) from 1.81x(Jun-10)

Business Unit Review

Richard Allely, CEO



PRINT AUSTRALIA

Business Unit Review - Print Australia

| (\$m) | FY11 | FY10 | Variance (%) |
|-------------|-------|-------|--------------|
| Revenue | 472.4 | 492.1 | (4.0%) |
| EBIT* | 55.4 | 47.7 | 16.0% |
| EBIT* ratio | 11.7% | 9.7% | |

* Before significant items

Comment:

- Heatset volumes flat YOY, Directories volume declined, Griffin lower reprint activity
- Lower operational and input costs, outside work and freight/logistics efficiencies

Business Unit Review - Print Australia

Highlights

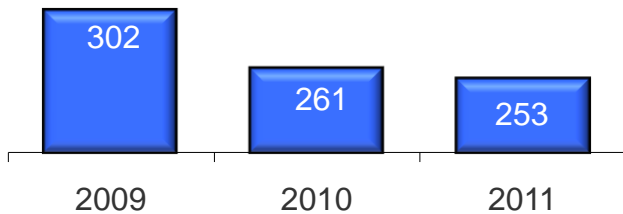
- Tight cost control and targeted initiatives
- Notwithstanding market volume decline, we've gained market share

Key issues

- Continue to manage cost base against backdrop of declining volumes
- Leverage benefits of differentiation of Group offer
- Begin to build a digital capability in books

Business Unit Review - Print Australia

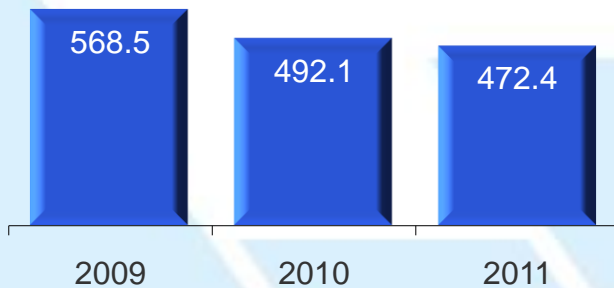
Converted Tonnes (000's)



Print volume decreased by 2.8%:

- Heatset volumes flat
- Directories decreased by 11.7%
- Books decreased by 15.9%

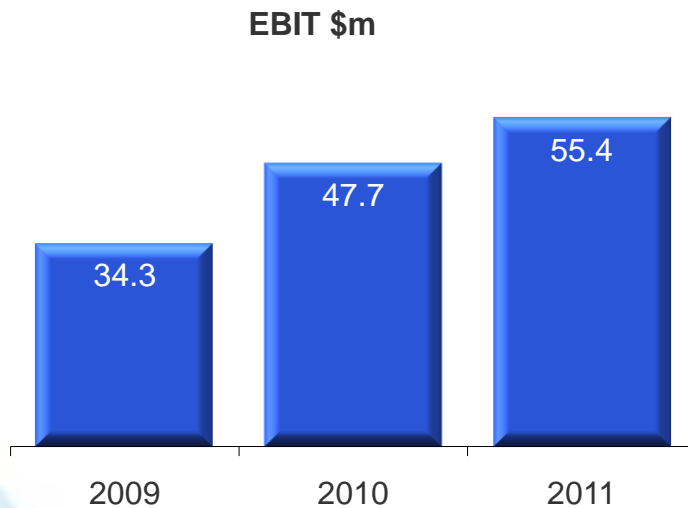
Revenue \$m



Revenue decrease of 4.0%:

- Reduction in Publishing pagination / circulation
- Directories revenue lower

Business Unit Review - Print Australia



EBIT increased by 16% on prior year due to :

- Favourable product mix
- Improved margin management :
 - tight cost controls, management of paper
- Efficiencies around freight, logistics and Outside work
- Includes \$2.5M Directories contract amortisation of intangibles

FY11 ROFE at 11.5% vs 9.3%.



LETTERBOX DISTRIBUTION

Business Unit Review - Distribution Australia

| (\$m) | FY11 | FY10 | Variance (%) |
|-------------|------|--------|--------------|
| Revenue | 90.9 | 84.5 | 7.5% |
| EBIT* | 1.1 | (2.2) | |
| EBIT* ratio | 1.2% | (2.6%) | |

* Before significant items

Comments:

- EBIT up \$3.3M on higher volumes and network efficiencies
- Grown market share - now approximately 35%
- More efficient delivery network

Business Unit Review - Distribution Australia

Highlights

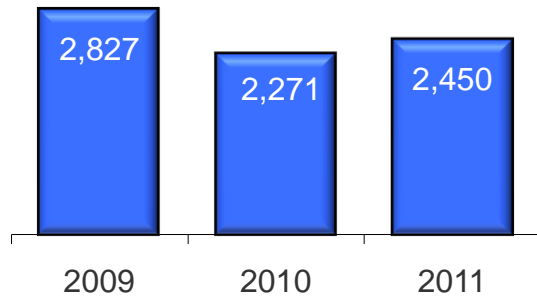
- Unaddressed delivery market continues to grow
- Improving trend in PMP market share
- Pricing pressures easing
- Very high customer satisfaction levels

Key Issues

- Need continued focus on market share growth

Business Unit Review - Distribution Australia

Distribution Units Delivered - Total
(millions)



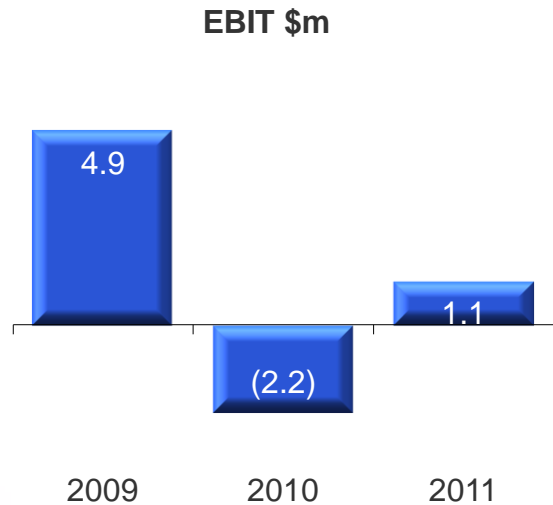
Revenue up 7.5% :

- Market growth continues
- Market share gains

Revenue \$m



Business Unit Review - Distribution Australia



EBIT increased by >100%

- Network volumes now above breakeven (and growing)
- Efficient management of network costs



GORDON
AND GOTCH
SCRIBO GROUP

Business Unit Review - Gordon & Gotch Scribo Group

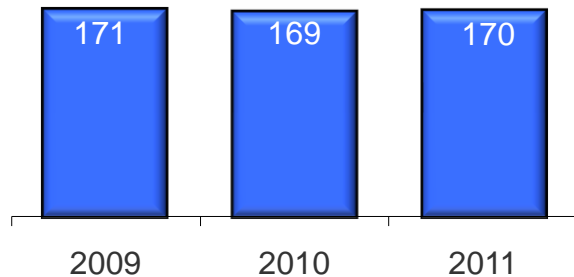
| (\$m) | FY11 | FY10 | Variance (%) |
|-------------|-------|-------|--------------|
| Revenue | 413.4 | 408.9 | 1.1% |
| EBIT* | 3.7 | 7.5 | (51.1%) |
| EBIT* ratio | 0.9% | 1.8% | |

Comments :

- Revenue growth modest, magazine wins and lower activity in book market
- Margins tightened reflecting the increased price competition
- Scribo trading conditions deteriorated in H2
- Scribo closure announced June 11

* Before significant items

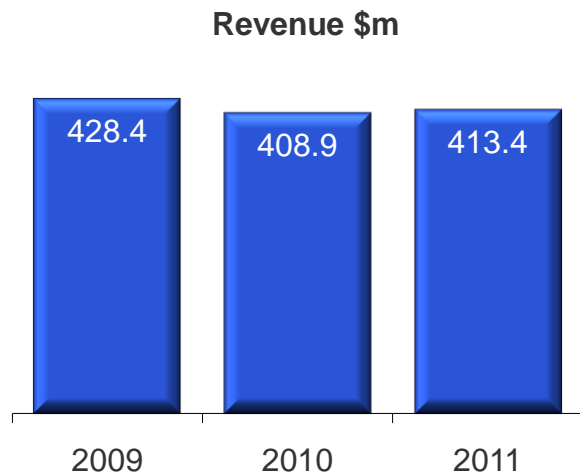
Business Unit Review - Gordon & Gotch Scribo Group

Gordon & Gotch Copies Distributed -
Total (millions)

Volume is flat due to :

- Wins in magazine distribution offset by circulation decline
- Book distribution volume fell significantly :
 - No major titles
 - Subdued retail activity
 - Offshore competition

Business Unit Review - Gordon & Gotch Scribo Group



Revenue increase of 1.1% due to:

- Favourable product mix – overseas product
- Offset by lower book market sales
- Scribo revenue decreased by 27.6% to \$15.3M YOY.



PMP
DIGITAL

Business Unit Review – PMP Digital

| (\$m) | FY11 | FY10 | Variance (%) |
|-------------|------|-------|--------------|
| Revenue | 28.6 | 31.1 | (8.0%) |
| EBIT* | 0.1 | 3.5 | (96.0%) |
| EBIT* ratio | 0.5% | 11.1% | |

* Before significant items

Comments:

- Lower revenues on soft market conditions
- Earnings decline largely due to product mix and volumes
- Melbourne relocation complete
- Digital rebranding well underway



PMP NEW ZEALAND

Business Unit Review - PMP New Zealand

| (A\$m) | FY11 | FY10 | Variance (%) |
|-------------|-------|-------|--------------|
| Revenue | 189.1 | 195.5 | (3.3%) |
| EBIT* | 4.8 | 5.6 | (13.1%) |
| EBIT* ratio | 2.6% | 2.8% | |

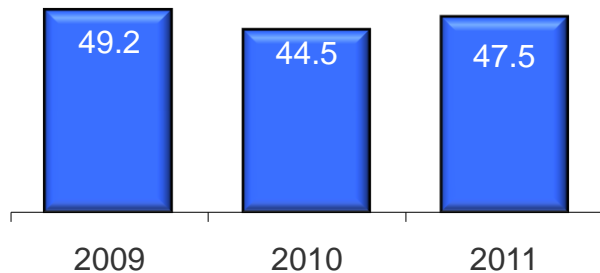
* Before significant items

Comments:

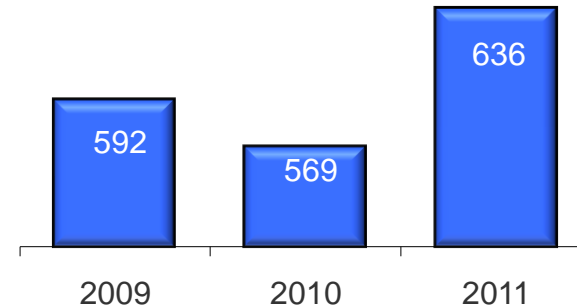
- Print Heatset volumes up 7% YOY
- Print NZ completed transition to APN/Retail clients
- Move to new Wiri site in Auckland on track
- Distribution volumes up 12%
- Extreme price competition in magazine distribution
- Continued pressure on NZD

Business Unit Review - PMP New Zealand

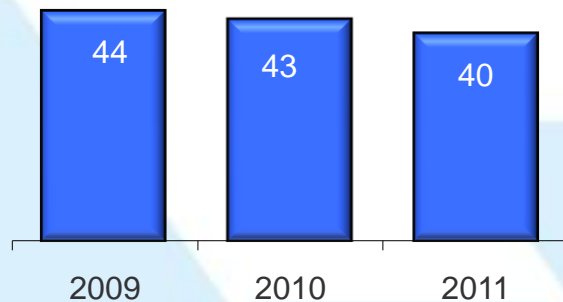
Print Converted Tonnes (000's)



Distribution Units Delivered - Total (millions)



Gordon & Gotch Copies Distributed - Total (millions)



Print

- Increased tonnes and revenues YOY :
 - transition to APN/Retail
- New site transition progressing

Distribution

- Record volumes from GST change and Auckland Council elections – 12% YOY

Gordon & Gotch

- Industry volumes down 7.3% YOY
- Secured NZ Magazines for 3 years

Outlook

Richard Allely, CEO

Outlook

- Expect the positive uplift in H2 FY11 to continue into FY12
- NZ earnings will benefit significantly from transformation gains in FY12
- Letterbox distribution in Australia will continue to grow market share
- Further guidance at AGM – November 2011
- Expect further revenue opportunities to emerge as a consequence of the market research being conducted by Growth Mantra

Questions

Disclaimer

The material in this presentation is a summary of the results of PMP Limited (PMP) for the twelve months ended 30 June 2011 and an update on PMP's activities and is current at the date of preparation, 18th August 2011. Further details are provided in the Company's full year accounts and results announcement released on 18th August 2011.

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