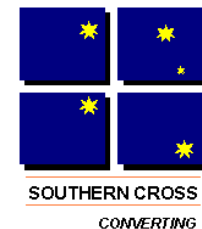


Who we are





Annual General Meeting

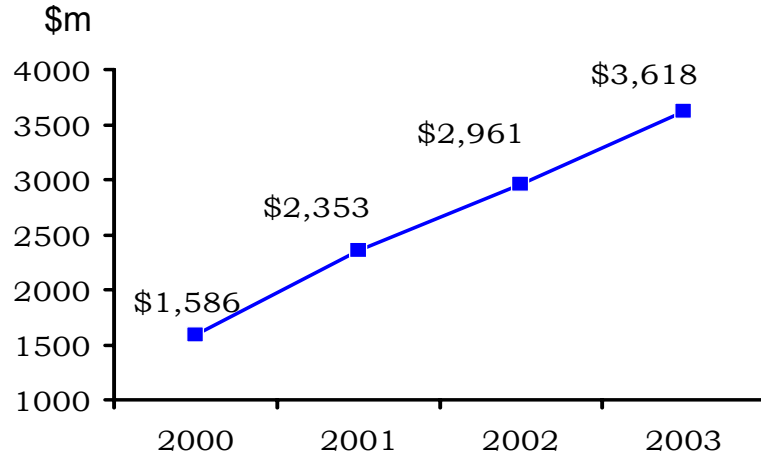
Chairman - David Meiklejohn

2003 Achievements

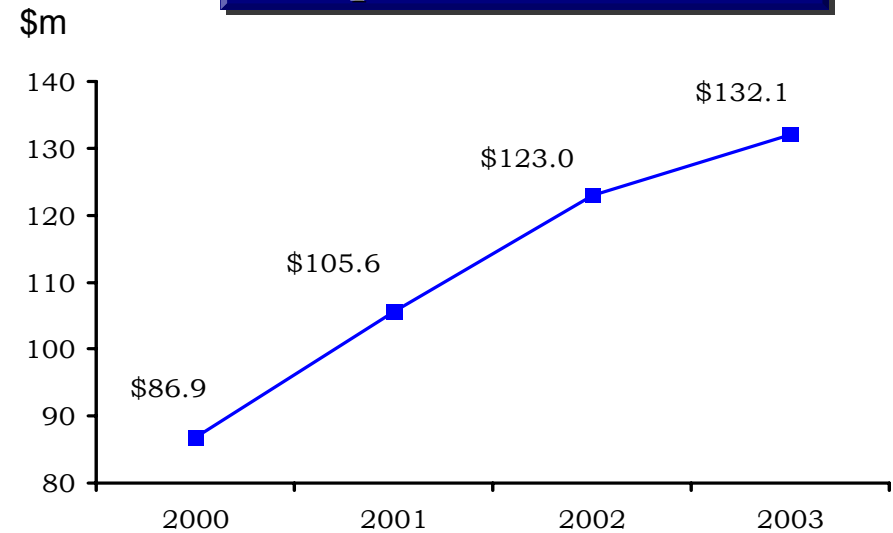
- Successful integration of The Paper Company
- Sales revenue up 22%
- Profit after tax up 7%
- Return on average funds employed of 12.3%

Growth since listing

Sales - \$m



Reported Profit - \$m



Delivery

- Sound results
- Service and value
- Consistent strategy
- Long term shareholder value

Agenda

- Results for 2003
- PaperlinX growth and acquisition of Buhrmann's
Paper Merchanting Division
- September 2003 Quarter
- Outlook

2003 Year in Review

- Improved result in a challenging environment
- Enhanced competitive position
- Acquisition and integration of The Paper Company
- Maintained focus on existing businesses

2003 Year in Review - Merchunting

- Creditable result
- Inclusion of The Paper Company
- Increased sales volumes
- Increased market shares
- Increased gross operating margins
- Impacted by lower international paper prices

2003 Year in Review - Australian Paper

- Difficult market and challenging economic conditions
 - stronger Australian dollar
 - lower selling prices
 - soft demand
- Cost reductions and improved productivity
- Customer relationships and branding
- Introduction of semi-extensible sack kraft

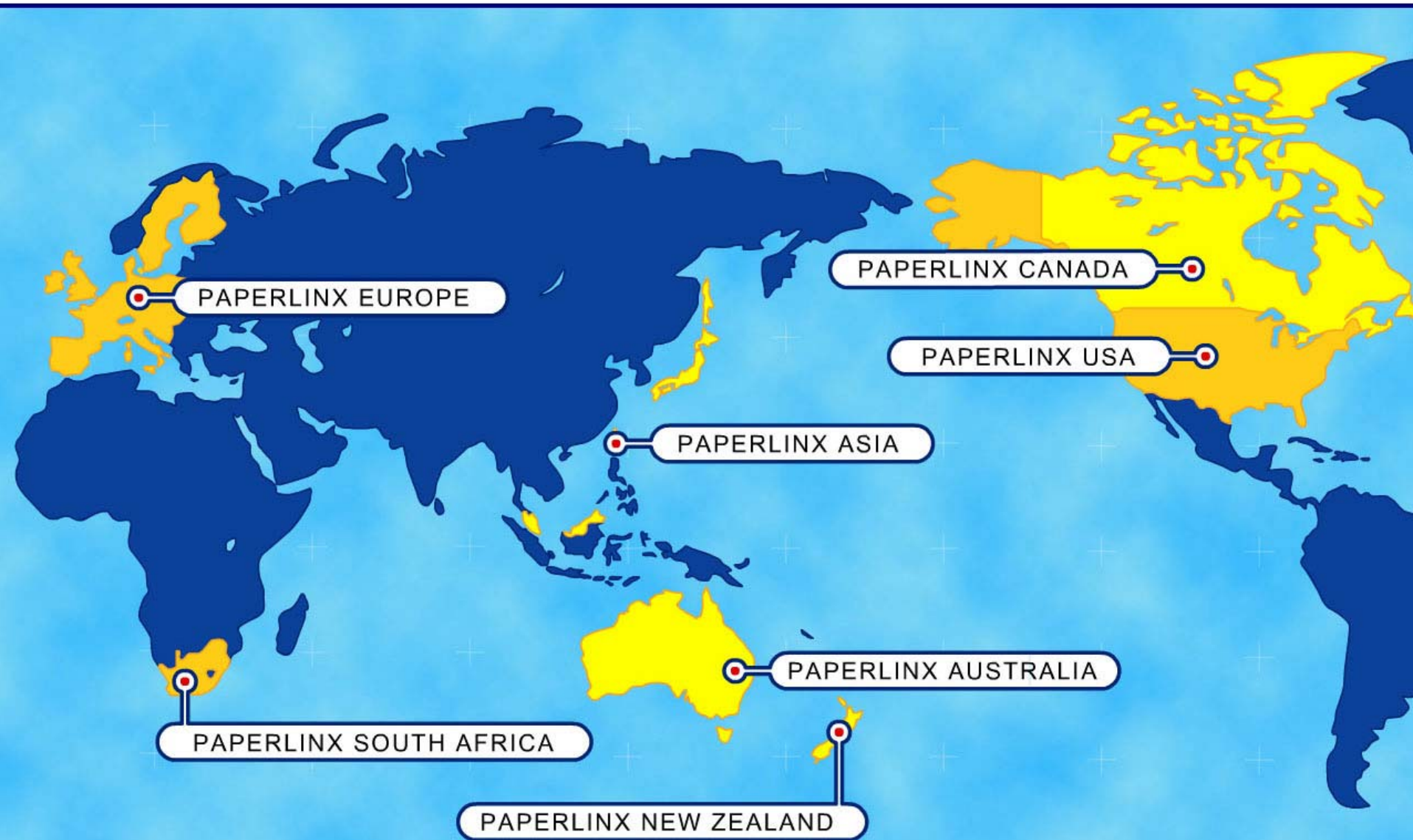
2003 Year in Review - General

- Programmes to improve returns
- New transaction and management control computer system in Australia
- Return ahead of cost of capital
- EPS impact by gearing level
 - positioned for growth
 - benefits crystallised with acquisition of Buhrmann's Paper Merchanting Division

European Acquisition

- Initial offer in June of €746 million
- Final cost to PaperlinX around €635 before costs of €20 million
- Potential deferred consideration of €26 million
- Major strategic step for PaperlinX
- New shares issued
 - institutional placement
 - share purchase plan

The New PaperlinX



PAPERLINX EUROPE

PAPERLINX CANADA

PAPERLINX USA

PAPERLINX ASIA

PAPERLINX AUSTRALIA

PAPERLINX SOUTH AFRICA

PAPERLINX NEW ZEALAND

Environment and Safety

- Continual awareness of the environment and improvement in environmental performance
- ISO 14001 environmental accreditation
- External pulp suppliers required to have independent accreditation
- Employee empowerment to improve safety performance
- “Work safe together” programme

Corporate Governance

- Committed to best practice
- Independent and experienced Board
- Effective committee structure
- Full and open disclosure
- Increasing work load on directors

September Quarter

- Difficult conditions for industry worldwide
 - weak demand
 - depressed international paper prices
- Impact of strong Australian dollar in absence of improved demand
 - translation of offshore earnings
 - reduced export income
 - reduced paper pricing in Australia
- Major impact is on Australian Papers Communication Papers business
 - Increased import competition
 - Earnings below corresponding period last year

Outlook

- Some signs of pick up in merchandising
 - North America
 - Europe
- Timing of recovery remains uncertain
- Strategic expansion
- Cost management
- Well positioned for improvement in activity



Annual General Meeting

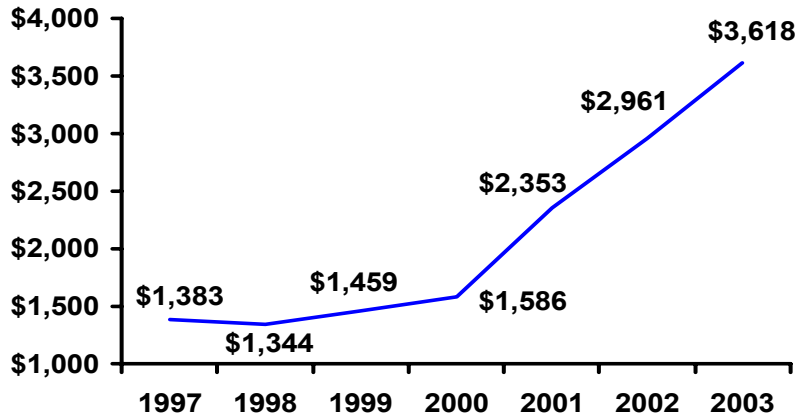
Managing Director - Ian Wightwick

Strategic Vision

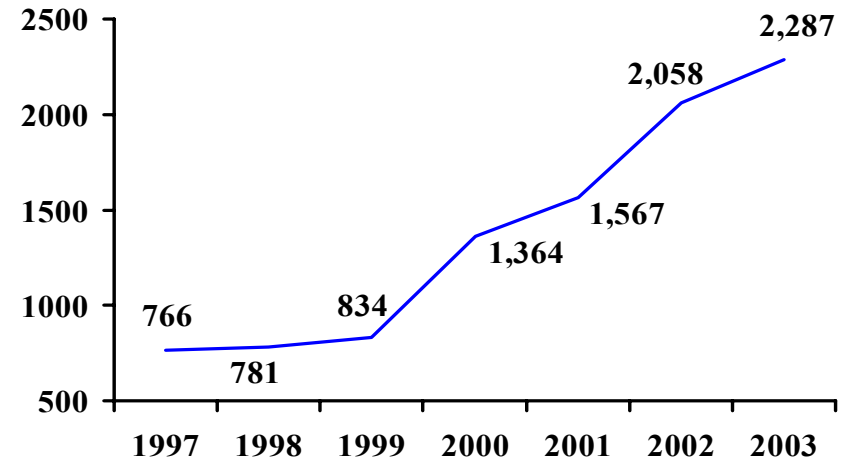
PaperlinX aims to be a major international independent paper merchant and distributor and the leading Australian manufacturer of communication papers and high performance packaging papers.

Financial History (including proforma history)

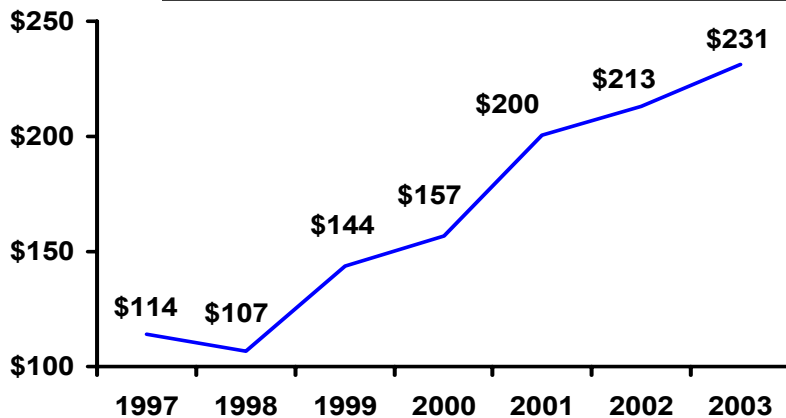
Sales Revenue - \$m



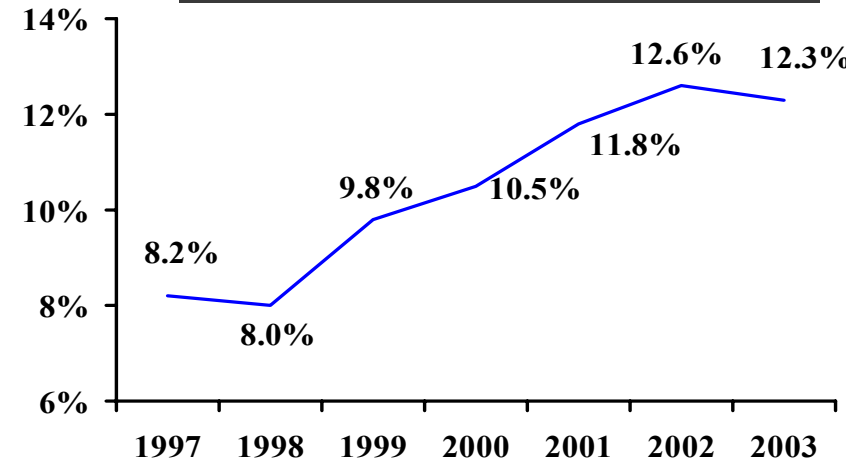
Sales Volumes - tonnes



EBIT - \$m



EBIT/Funds employed

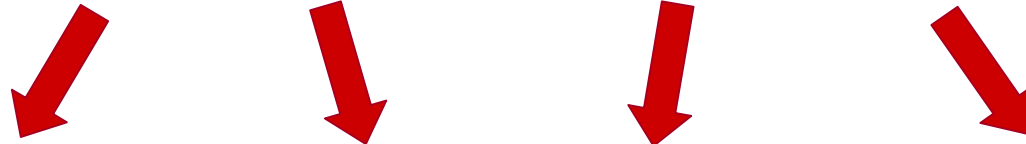
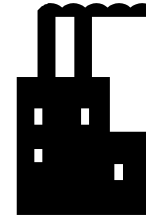
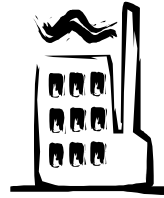
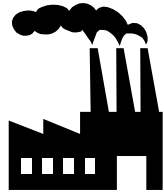


PaperlinX - Australian Paper

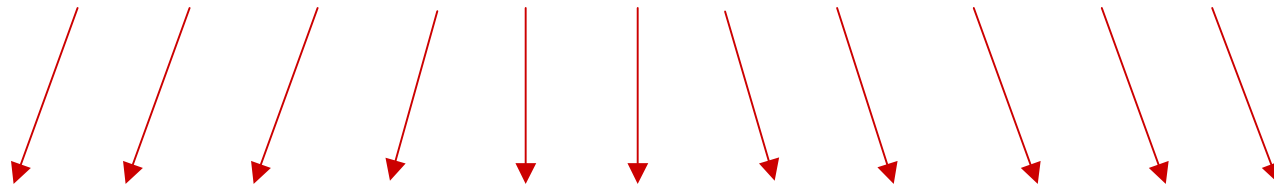


Paper Merchant Model

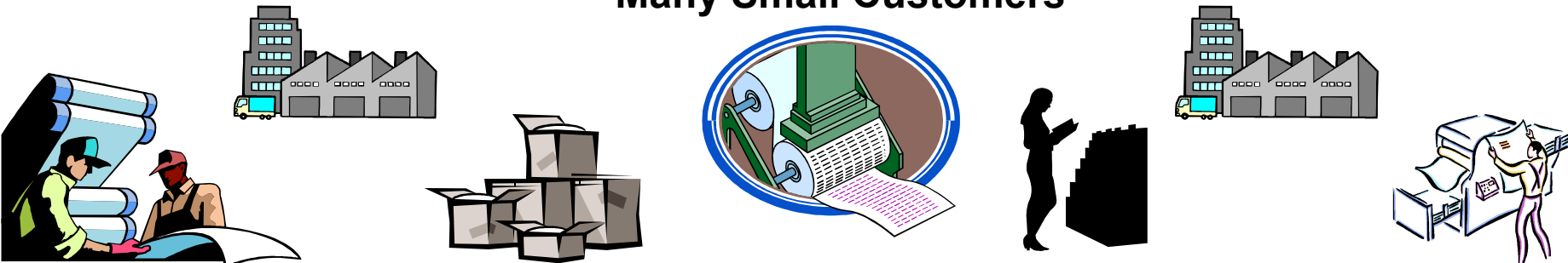
Few Large Suppliers



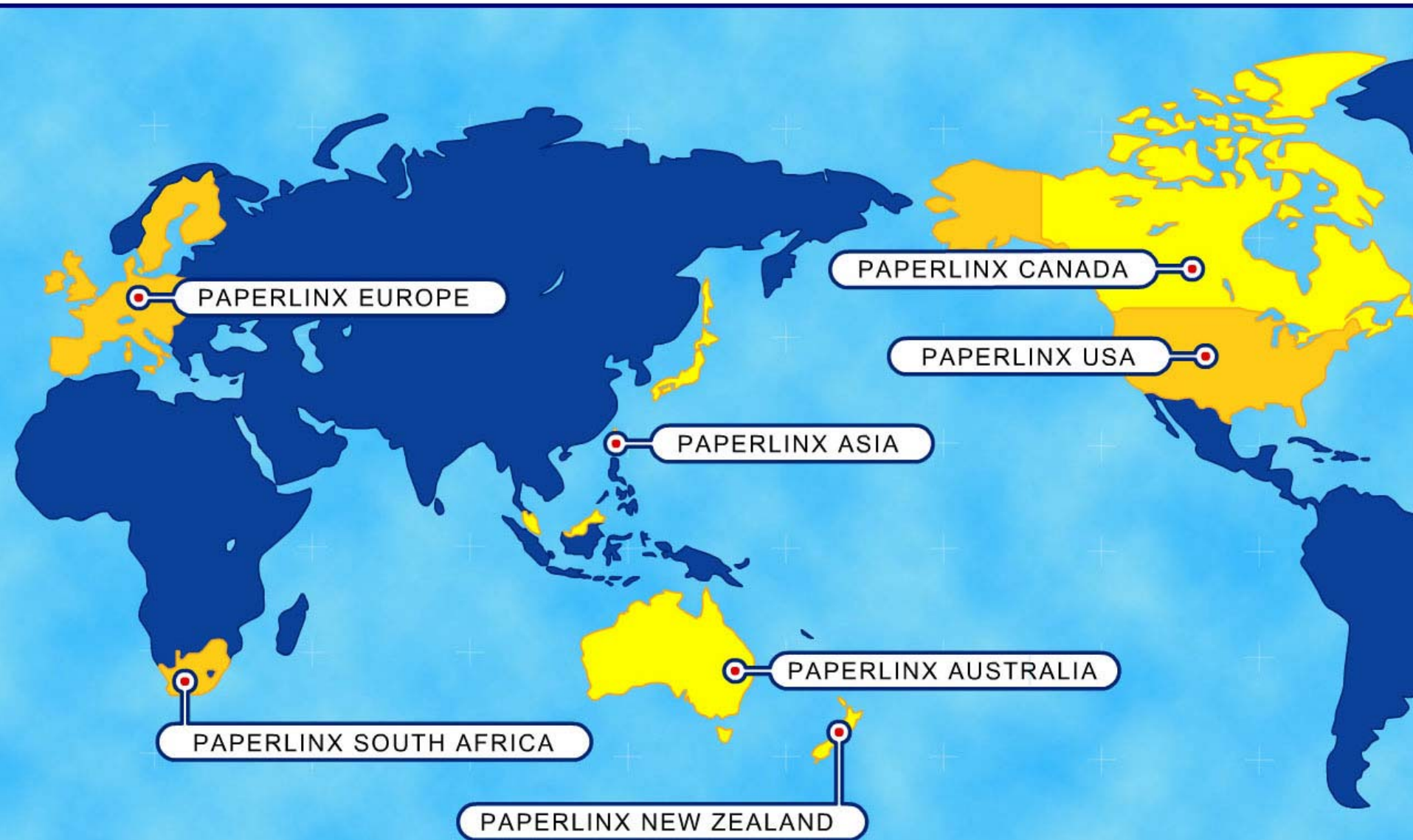
PAPER MERCHANT
Stocks and supplies wide range of products



Many Small Customers



The New PaperlinX



PAPERLINX EUROPE

PAPERLINX CANADA

PAPERLINX USA

PAPERLINX ASIA

PAPERLINX AUSTRALIA

PAPERLINX SOUTH AFRICA

PAPERLINX NEW ZEALAND

PaperlinX Merchanding Australia & New Zealand



PaperlinX Asia



PaperlinX North America



PaperlinX UK & Ireland



PaperlinX Merchanting Growth

- Carefully developed strategy
- Evaluated and endorsed by Board
- Implemented by experienced team

PaperlinX Merchanting Acquisition Criteria

- Low risk, profitable
- Good management
- Stockist Merchant of high quality fine paper
- Key supplier relationships
- Wide spread of customers
- Good logistics and systems
- Meets our return criteria

Integration of Acquisition

- Critical step for success
- Extensive planning
- Key focus for management

Managing Risk

- Strong local customer relationships
- Good regional management
- Strict policies and procedures
- Strict management framework
- Performance measurement and monitoring

European Acquisition

- Close to completion
- PaperlinX Europe
- Approvals received

PaperlinX Post Acquisition

Sales (revenue):	<u>June 2003</u> A\$4 billion	<u>The New PaperlinX</u> A\$9 billion
Sales (volume):	2 million tonnes	4 million tonnes
Employees:	5,000	10,000
Operations in:	11 countries	29 countries

Note:

The New PaperlinX based on adjusted 2002/2003 numbers for both PaperlinX and Buhrmann Paper Merchandising Division

Financial Impact

- Good deal for PaperlinX
- Strong growth in earnings per share
- Targeted 15% ROFE

PaperlinX Europe

- 1 AUSTRIA
- 2 BELGIUM
- 3 CROATIA
- 4 CZECH REPUBLIC
- 5 DENMARK
- 6 FINLAND
- 7 FRANCE
- 8 GERMANY
- 9 HUNGARY
- 10 IRELAND
- 11 ITALY
- 12 NETHERLANDS
- 13 POLAND
- 14 PORTUGAL
- 15 SLOVAKIA
- 16 SLOVENIA
- 17 SPAIN
- 18 SWEDEN
- 19 UNITED KINGDOM



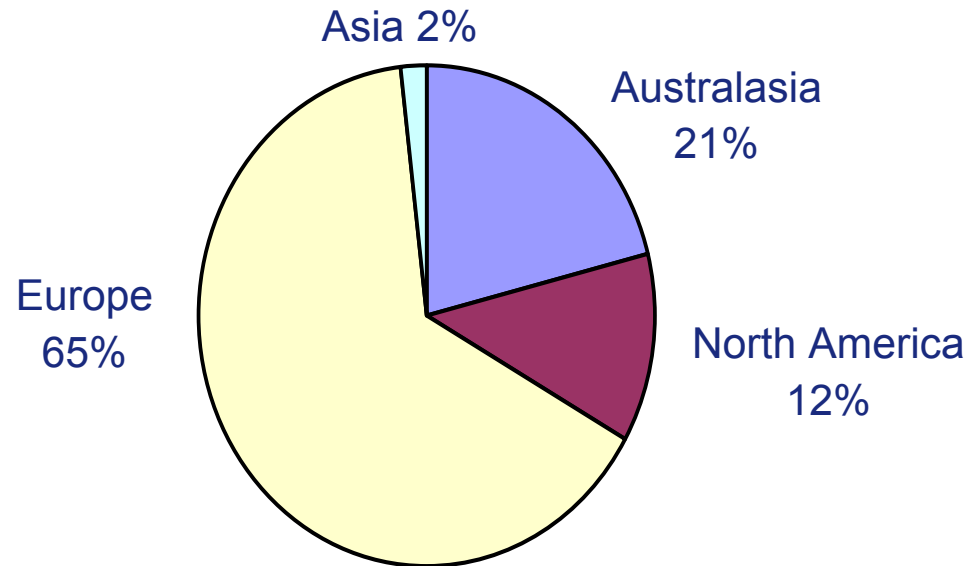
Acquisition Criteria Fit

- Good supplier fit
- Deals with most major suppliers
- Strong brands
- Experienced management team
- Profit improvement plan underway

The “New” PaperlinX Sales

By Region

2002/3

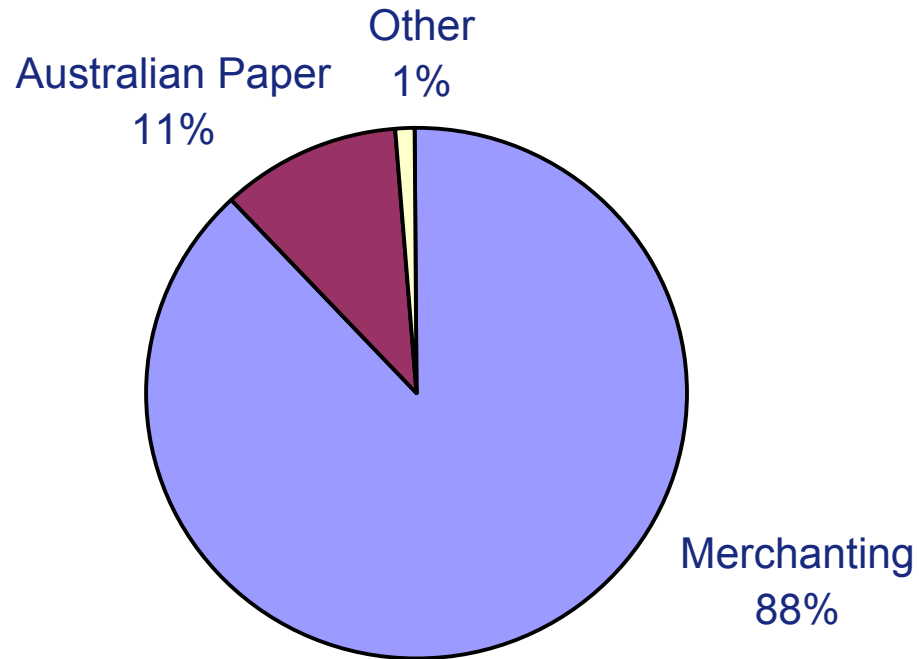


Including Buhrmann Paper Merchanting Division

The “New” PaperlinX Sales

By Business

2002/3



Including Buhrmann Paper Merchating Division

Summary

- Tough conditions prevail
- Integration of acquisition
- Future growth in North America and Europe
- Well positioned for earnings growth

PaperlinX