tma

Turning ideas and fledgling technologies into a company that continues to understand,innovate, commit and deliver.

AGM2010

2010 AGM

Michael Whelan

Chairman

Introductions

DIRECTORS

ANTHONY KARAM
MANAGING DIRECTOR

CORRIENE KARAM
OPERATIONS DIRECTOR

TONY SAAD
NON EXECUTIVE DIRECTOR

JAMES SCHWARZ
NON EXECUTIVE DIRECTOR

CFO/COMPANY SECRETARY

Willemien de Rie

AUDITOR

XAVIER UGARTE
PARTNER FROM HILL ROGERS SPENCER STEER ASSURANCE PARTNERS

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CEO Presentation

Anthony Karam

* 2010 FINANCIAL HIGHLIGHTS
* OPERATIONAL HIGHLIGHTS
* LONG TERM STRATEGY
* OUTLOOK & GUIDANCE

2010 Financial highlights

	FY2009	FY2010	Change
Revenue	$44.9m	$55.2	23%
EBITDA	$4.8m	$6.0	27%
NPAT	$2.9m	$3.1	8%
EPS	2.47c	2.51c	2%

- Revenue up 23% to $55.2m – contributed by strong growth in South East Asian and Australia & New Zealand by 56% and 28% respectively
- Strong revenue growth delivered on top of 2009 revenue growth of 21%
- Net profit after tax up 8% to $3.1m amid improving market conditions
- Growth strategy has driven up one off costs: acquisition costs, management restructure costs and PCSO contract bidding and implementation costs.
- Normalised EBITDA and PAT up by 49% and 34% respectively. Underlying EPS 3.25c
- EBIT margin stable at 8%
- Robust balance sheet with negotiation completed on Debt facilities refinancing to mature in 2013 on improved terms and rate

2010 Financial highlights

	FY2009	FY2010	Change
Current ratio	1.2	1.4	14%
Working capital	$6.6m	$8.4m	26%
Net gearing (Debt-to-equity)	1.4	0.5	(64%)
Days receivable	66 days	76 days	15%
Days inventory	88 days	81 days	(7%)
Days payable	67 days	70 days	4%

2010 Financial highlights

- Current ratio up from 1.2 to 1.4 – contributed by increased cash and inventory positions, as well as increase of days receivable over days payable
- Increase of working capital driven by increased days receivable and inventory. Technology inventory is relatively low but disproportionately expensive versus conversion inventory, increasing the inventory days. In addition, technology debtors reserve 10% of invoiced sales as a retention which drives up the days receivable.
- Net gearing down from 1.4 to 0.5 driven by the repayment of debt through strong positive cash flow and conversion of long term debt into equity
- Growth in the technology segment requires a larger investment in working capital which is fundamentally changing the balance sheet ratios:
  - import of equipment from Europe with relatively long lead times
  - higher up front costs and a longer completion process than conversion
  - 10% retention of sales upon invoicing

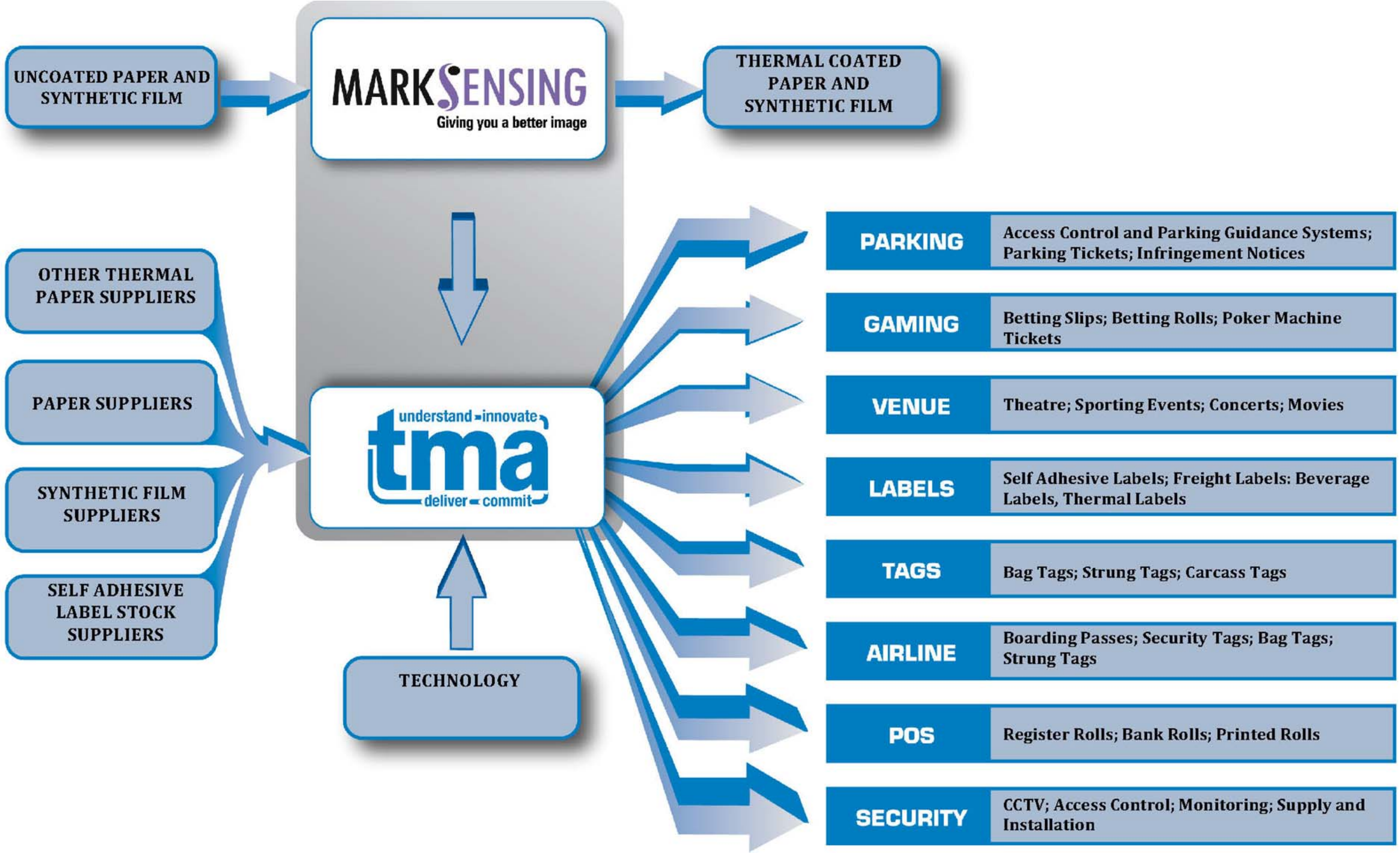
2010 Operational highlights

- Strategy of vertical integration has expanded the business from ticket consumables to machinery (parking access, parking meters and guidance), car park security and the supply and maintenance of central control rooms for security monitoring
- Strong profits driven by both organic growth and acquisitions
- Focus on maintaining strong and consistent relationships with existing customers
- Major contract wins in both Conversion and Technology

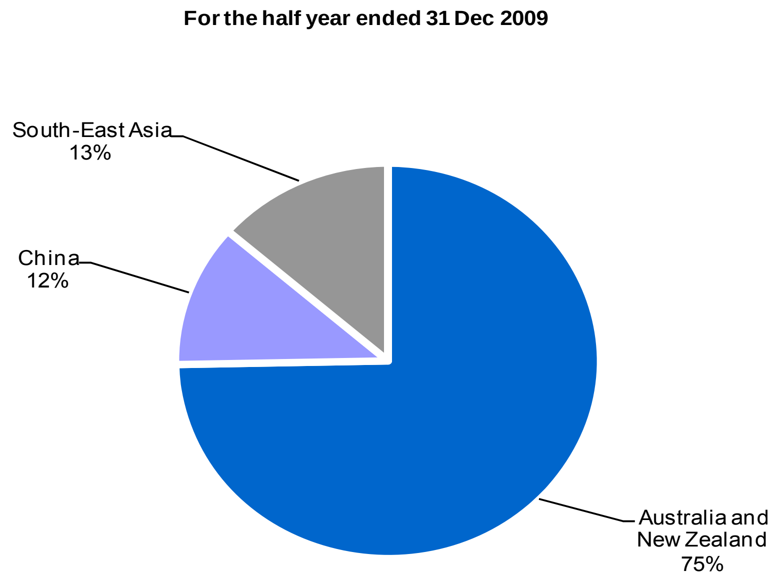
2010 Operational highlights

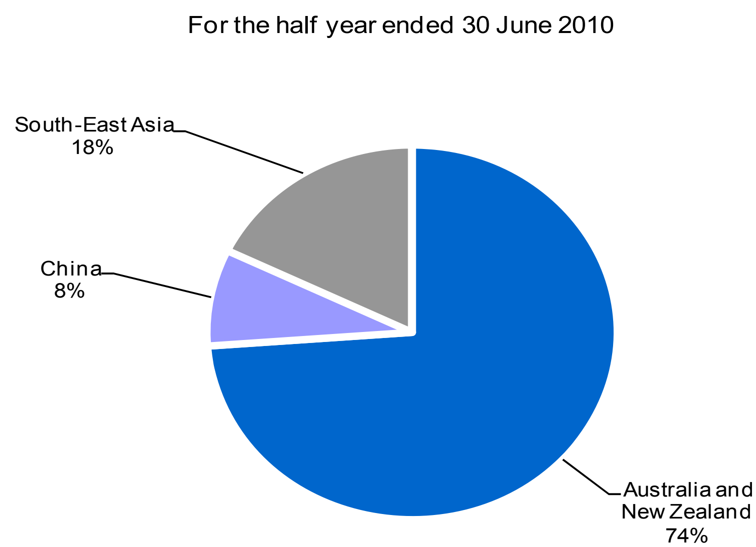
- Long term joint venture with PSCO in the Philippines established
- Realignment of the Chinese operation, loss reduction by 48%
- Improved margins across all geographical segments
- Manufacturing and product developments through ongoing research and development initiatives.
- Completion of two aquisitions

Business overview



Revenue by geographical area





- 1H2010 revenue of $28.9m
- 2H2010 revenue of $26.3m
- The joint venture with the Philippine Sweepstakes and Charity Organisation (PSCO) increased the revenue contribution from South- East Asia by 4%

Debt profile

		Actual	Covenant
Debt covenants	Cash interest cover (EBIT / net interest)	8.1 x	4 x
	Net leverage (net debt/annualised EBITDA)	1.1 x	3 x

Debt Facilities

- No debt facilities maturing until September 2013

Debt / Financing Capacity

- Cash balance of $3.7m
- Net debt of $6.8m
- Significant headroom

Long term strategy

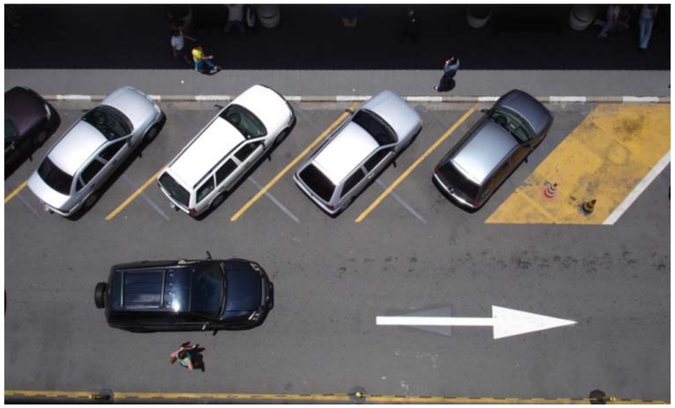
Product Offering	**To maintain its leading presence, and increase penetration of existing core markets** • Ongoing research and development initiatives • Expansion through vertical and horizontal integration • Emphasis on cross-selling opportunities • Continue to grow recurring revenue base from PSCO joint venture
Regions	**Expansion of geographical segments** • Philippines plant when operational can be used as a low cost manufacturing base for further expansion in Asia
Customers	**Maintain strong and consistent relationships with existing customers** • Flexible on pricing but never predatory – to maintain work flow and relationships • Focus on quality and consistency of service
People	**Company's best asset** • Retain and attract quality talent through recruitment exercises and business acquisitions • Continue development and training programs • Continue focus on further improving safety performance

FY2011 Business outlook

- TMA is well positioned to take advantage of recovery in global markets
- Major recent contract wins expected to boost P&L 15% YOY for the next 2 years:
  - Coles label contract
  - Qantas print management
  - Perth Airport
- Revenue from the PSCO joint venture is expected to be sizable contribution to overall group revenue, ramping up volumes from July 2010 to September 2011

FY2011 Business outlook

- Establishment and commissioning of the new plant in Philippines can be used for further expansion in Asia
- Growing pipeline of prospects in core markets, both in conversion and technology
- Acquisition of Premier Business Group - $A 7 million
- Pursue growth opportunities through strategic acquisitions
- Launch of on Street Parking Meter Sales and Maintenance



Operating cash flow

In $m	FY2009	FY2010	Change
EBITDA	**4.76**	**6.02**	**27%**
Working capital movement	1.40	1.8	29%
Other operating items	(1.92)	(6.40)	233%
Cash generated from operations	**4.24**	**1.42**	**(67%)**
Income tax paid	(0.60)	(0.06)	(90%)
Operating cash flow after tax	**3.70**	**1.36**	**(63%)**
Capital expenditure	(0.76)	(1.05)	38%
Acquisitions	(0.06)	(1.29)	2050%
Net finance costs and proceeds from borrowings	(0.41)	1.5	365%
Net movement in cash	**2.47**	**0.52**	**(79%)**
Opening net cash	0.75	3.22	329%
FX difference	-		
Closing net cash	**3.22**	**3.74**	**16%**

Income statement

In $m	FY2009	FY2010	Change
Revenue	44.89	55.19	23%
Expenses	(40.13)	(40.25)	3%
EBITDA	4.76	6.02	27%
Depreciation and amortisation expenses	(1.33)	(1.44)	8%
Net interest (expense)/income	(0.58)	(0.53)	(9%)
Profit/(loss) before income tax expenses	2.89	4.00	38%
Income tax (expense)/benefit	(0.04)	(0.91)	2175%
Profit/(loss) for the period	2.85	3.07	8%

Balance sheet

In $m	FY2009	FY2010	Change
Cash and cash equivalents	3.22	3.74	16%
Inventories	7.95	8.94	12%
Trade and other receivables	9.24	14.83	60%
Total current assets	20.41	27.51	35%
Trade and other receivables	0.23	0.38	65%
PPE	10.19	9.73	(5%)
Intangible assets	0.69	1.86	170%
Deferred tax assets	0.67	1.34	100%
Total non current assets	11.77	13.31	13%
Total assets	32.19	40.82	27%
Trade and other payables	7.98	10.76	35%
Borrowings	6.78	6.27	(8%)
Provisions/other	1.65	2.36	43%
Total current liabilities	16.40	19.39	18%
Borrowings	0.93	0.52	(44%)
Deferred tax liability	0.70	0.69	(1%)
Provisions	0.92	1.06	15%
Total non current liabilities	2.55	2.27	(11%)
Total liabilities	18.95	21.66	14%
Net assets	13.23	19.16	45%
Issued capital	3.23	6.11	89%
Reserves	6.29	6.41	2%
Accumulated profits/(losses)	3.71	6.64	79%
Total equity	13.23	19.16	45%

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Resolution 1

Adoption of the Remuneration Report

Proxies Received

For	95,735,069	= 99.83%
Against	158,983	
Open	-	
Abstained	-	

Re-election of Director Corriene Karam

Proxies Received

For	95,879,652	= 99.98%
Against	14,400	
Open	-	
Abstained	-	

Resolution 2b

Election of Director Michael Whelan

Proxies Received

For	95,893,052	= 99.99%
Against	1,000	
Open	-	
Abstained	-	


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understand — innovate — commit — deliver

CLOSE

Thank you for your time today and I now invite you to join us for some light refreshments.

Michael Whelan

2010 AGM

understand ▸ innovate ▸ commit ▸ deliver

Dedicated to understand, innovate,
commit and deliver
each and every time so that
our customers continue to lead