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TMA Group of Companies Limited

(ABN 66 006 627 087)

ASX Code: TMA

Appendix 4D – Half Year Report

For the Half Year

Ended 31 December 2009

TMA Group of Companies Limited
Results for Announcement To The Market
For the Half Year Ended ('current period') 31 December 2009
('previous corresponding period' 31 December 2008)

Revenue and Net Profit/(Loss)				
		Percentage Change %	**Current Period Amount $'000**	**Previous Corresponding Period Amount $'000**
Revenue from continuing operations	Up	40	28,849	20,620
Profit from continuing operations after tax attributable to members	Down	28	1,520	2,107
Profit attributable to members	Down	28	1,520	2,107

Dividends (Distributions)		
	Amount per security	**Franked amount per security**
Final dividend	Nil ¢	Nil ¢
Interim dividend	Nil ¢	Nil ¢
Record date for determining entitlements to the dividend: Final dividend Interim dividend	 N/A N/A	

Earnings per Ordinary Fully Paid Share (EPS)	**Current Period**	**Previous Corresponding Period**
Basic EPS - cents per share	0.131	0.182
Diluted EPS- cents per share	0.130	0.182

NTA Backing	**Current Period**	**Previous Corresponding Period**
Net tangible assets backing per ordinary security – cents per share	1.356	1.086

Brief explanation of the figure reported above:

The Group continues to grow with revenues up by 40% and gross margins at 28% (2008: 26.4%) delivering sound profitability. The current reporting period shows a reduction in profit when compared to the previous corresponding period. In this six month period the Group incurred costs relating to the acquisition of TTM and Abacus Security along with the re-negotiation of the PCSO contract. The Group has decided to take a conservative approach and write off these costs in the period. Net assets are up from $13.2 mil to $17.6 mil representing an increase of 33% with borrowing down from $7.7 mil to $6.2 mil representing a reduction of 19%.

Managing Director's Report

OUR COMPANY

Half year results

The results of the full 6 months for both periods of TMA Group of Companies Limited were:

Half Year to	31 December 2009	% of Sales	31 December 2008	% of Sales	% 08 to 09 Movement
	$'000		$'000		
Sales	28,849		20,620		40%
EBITDA	3,265	11.3%	3,744	18.2%	-13%
EBIT	2,402	8.3%	3,246	15.7%	-26%
Profit /(loss) before tax	2,207	7.7%	2,947	14.3%	-25%
Profit after tax	1,520	5.3%	2,107	10.2%	-28%

Commentary on the results

Our first six months saw sales increase by 40%, which with gross margins at 28% (2008: 26.4%) delivered sound profitability. The current reporting period shows a reduction in profit when compared to the previous corresponding period. In this six month period the Group incurred costs relating to the acquisition of TTM and Abacus Security along with the re-negotiation of the PCSO contract. The Group has decided to take a conservative approach and write off these costs in the period they were incurred. Net assets are up from $13.2 mil to $17.6 mil representing an increase of 33% with borrowing down from $7.7 mil to $6.2 mil representing a reduction of 19%.

We anticipate that the second half will be in line with the first half, with margins maintained on revenue of $60 Mil for the full year.

Our primary focus has been on growing the business during this half both organically and through acquisition. We are also progressing with the finalising of our Asia Strategy having reduced the losses from China to almost break even and successfully negotiated the establishment of a Joint Venture with PCSO in the Philippines. We are also continuing to extract synergies from the merger of TMA and Mark Sensing.

The achievements thus far provide the business with a strong platform for continuing growth in both revenue and profitability.

Our People

Again I would like to also acknowledge and thank our people. Their contribution to the success of the Group continues to be of the highest level of commitment and delivery.

Future developments

Research and Development continues to be at the heart of the Group. There have been a number of significant milestones achieved by the organisation in the first six months with the future holding the delivery and conversion of these opportunities for our shareholders.

For further information please contact Michael Whelan at TMA Group of Companies Limited on + 61 2 9892 9999.

Yours sincerely,

Anthony Karam
Managing Director

Directors' report

The directors of TMA Group of Companies Limited submit herewith the financial report of TMA Group of Companies Limited and its subsidiaries (the Group) for the half-year ended 31 December 2009. In order to comply with the provisions of the Corporations Act 2001, the directors report as follows:

The names of the directors of the company during or since the end of the half-year are:

Name
Michael Whelan (Chairman)
Anthony Karam (Managing Director)
Corriene Karam
Tony Saad
James Schwarz

The above named directors held office during and since the end of the half-year except for:
James Schwarz – appointed 28 July 2009

Review of operations

A consolidated net profit after tax of $1,520 ('000) (2008: $2,107 ('000)) from sales of $28,849 ('000) (2008: $20,620 ('000)) for the half year ended 31 December 2009.

The consolidated entity's principal activities in the course of the financial period were the manufacture and sale of plain and coated, paper and film products, including tickets, tags, labels receipt rolls etc for a wide range of markets, including food, entertainment, transport, wagering, medical and banking, and the research and development of thermal and security coatings for paper and film products.

During the financial period the Group successfully entered into a Joint Venture Agreement with the Philippine Government owned Philippine Charity Sweepstakes Organisation (PCSO) and acquired both Abacus Security and the TTM Equipment Group. TTM has operations in Qld, NSW & Vic. These acquisitions have expanded our principle activities to include security and off street car parking equipment supply, installation and maintenance. Other than the impact of the acquisitions, there was no significant change in the nature of those activities.

Investments in the new Abacus and TTM accounted for 1.8% of revenue in this half year and contributed 1.5% to NPAT.

The Australian and New Zealand revenues and profit continue to remain strong. These markets are also providing excellent opportunities for organic and acquisition growth.

China has provided a break even position for the first six months. The Group is continuing to explore the long term opportunities around the China operations.

The Group stands well positioned to expand its South East Asian operations through the newly awarded Joint Venture Agreement with the PCSO.

Significant contract – Philippines

On 18 December 2009, TMA announced to the market that it had secured a long term joint venture agreement with the Philippine Sweepstakes and Charity Organisation (PCSO) to supply all of the PCSO printed materials for 50 years.

Further details regarding the above event can be found in our previous ASX announcement. The Company will continue to keep Shareholders and the market informed with regards to the PCSO JV in accordance with its continuous disclosure obligations under Listing Rule 3.1.

Directors' report (cont'd)

Auditor's independence declaration

The lead auditor's independence declaration under s.307C of the Corporations Act 2001 is included on page 6 of the half-year report.

Change of Company name

The Company changed its name on 2 December 2009 from Mark Sensing Limited to TMA Group of Companies Limited, in line with the approval given by shareholders at our AGM on 30 November 2009.

Rounding off of amounts

The company is a company of the kind referred to in ASIC Class Order 98/0100, dated 10 July 1998, and in accordance with that Class Order amounts in the directors' report and the half-year financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

Signed in accordance with a resolution of directors made pursuant to s.306(3) of the Corporations Act 2001.

On behalf of the Directors

Michael Whelan
Director
Sydney, 26 February 2010

The Board of Directors
TMA Group of Companies Limited
4-6 Straits Avenue
Granville NSW 2142

26 February 2010

Dear Directors,

TMA GROUP OF COMPANIES LIMITED

In accordance with section 307C of the Corporations Act 2001, I hereby provide the following declaration of independence to the directors of TMA Group of Companies Limited.

As lead audit partner for the review of the financial statements of TMA Group of Companies Limited, I declare that to the best of my knowledge and belief; during the half year ended 31 December 2009 there have been:

(i) no contraventions of the auditor independence requirements of the Corporations Act 2001 in relation to the review; and

(ii) no contraventions of any applicable code of professional conduct in relation to the review.

Yours sincerely,
HILL ROGERS PARTNERS

Xavier M. Ugarte

XAVIER M UGARTE
Partner

Sydney

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Independent Auditor's Review Report to the Members of TMA Group of Companies Limited

Review Report on the Half Year Financial Report

We have reviewed the accompanying half year financial report of TMA Group of Companies Limited, which comprises the condensed statement of financial position as at 31 December 2009, the condensed statement of comprehensive income, the condensed statement of changes in equity, the condensed statement of cash flows for the half year ended on that date, accounting policies and other selected explanatory notes and the directors' declaration.

Directors' Responsibility for the Half Year Financial Report

The directors of the company are responsible for the preparation and fair presentation of the half year financial report in accordance with Australian Accounting Standards (including the Australian Accounting Interpretations) and the Corporations Act 2001. This responsibility includes establishing and maintaining internal controls relevant to the preparation and fair presentation of the half year financial report that is free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility is to express a conclusion on the half year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagements ASRE 2410 *Review of Interim and Other Financial Reports Performed by the Independent Auditor of the Entity*, in order to state whether, on the basis of the procedures described, we have become aware of any matter that makes us believe that the half year financial report is not in accordance with the Corporations Act 2001 including giving a true and fair view of the consolidated entity's financial position as at 31 December 2009 and its performance for the half-year ended on that date and complying with Australian Accounting Standard AASB 134 *Interim Financial Reporting*. As the auditor of TMA Group of Companies Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

A review of a half year financial report consists of making enquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Australian Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Independence

In conducting our review, we have complied with the independence requirements of the Corporations Act 2001.

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Conclusion

Based on our review, which is not an audit, we have not become aware of any matter that makes us believe that the half year financial report of TMA Group of Companies Limited is not in accordance with the *Corporations Act 2001* including:

- giving a true and fair view of the consolidated entity's financial position as at 31 December 2009 and of its performance for the half-year ended on that date; and

- complying with AASB 134: Interim Financial Reporting and the Corporations Regulations 2001.

HILL ROGERS PARTNERS

Xavier M. Ugarte

XAVIER M UGARTE
Partner

Dated this 26th day of February 2010

Sydney

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Fax +61 2 9233 7950
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Directors' declaration

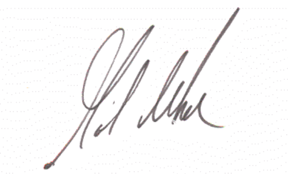
The directors declare that:

(a) in the directors' opinion, there are reasonable grounds to believe that the company will be able to pay its debts as and when they become due and payable; and

(b) in the directors' opinion, the attached financial statements and notes thereto are in accordance with the Corporations Act 2001, including compliance with accounting standards and giving a true and fair view of the financial position and performance of the consolidated entity.

Signed in accordance with a resolution of the directors made pursuant to s.303(5) of the Corporations Act 2001.

On behalf of the Directors



Michael Whelan
Chairman

Sydney, 26 February 2010.

Condensed consolidated statement of comprehensive income for the half-year ended 31 December 2009

	Consolidated	
	Half-year ended 31 Dec 2009 $'000	Half-year ended 31 Dec 2008 $'000
Continuing operations		
Revenue from sale of goods	28,849	20,620
Cost of sales	(20,760)	(15,180)
Gross profit	8,089	5,440
Other revenue	11	48
Share of profits of associates and jointly controlled entities accounted for using the equity method	98	18
Marketing and administration expenses	(5,128)	(1,818)
Occupancy expenses	(426)	(268)
Finance costs	(326)	(388)
Profit before tax	2,318	3,032
Income tax (expense)	(720)	(866)
Profit for the period from continuing operations	1,598	2,167
Other comprehensive income		
Exchange differences arising on translation of foreign operations	(111)	(85)
Income tax relating to components of comprehensive income	33	26
Total comprehensive income for the period	1,520	2,107
Profit for the period attributable to members of the parent entity	1,520	2,107
Earnings per share		
From continuing operations		
Basic (cents per share)	0.131	0.182
Diluted (cents per share)	0.130	0.182

Notes to the condensed consolidated financial statements are included on pages 14 to 19.

Condensed consolidated statement of financial position as at 31 December 2009

	Note	Consolidated 31 December 2009 $'000	30 June 2009 $'000
Current assets			
Cash and cash equivalents		2,202	3,218
Trade and other receivables		13,252	8,393
Inventories		8,161	7,952
Other		713	851
Total current assets		24,328	20,414
Non-current assets			
Investments accounted for using the equity method	2	259	226
Property, plant and equipment		9,983	10,189
Deferred tax assets		889	669
Other intangible assets		1,695	687
Total non-current assets		12,826	11,771
Total assets		37,154	32,185
Current liabilities			
Trade and other payables		9,595	7,975
Current tax liabilities		848	-
Borrowings		5,433	6,778
Provisions		1,212	1,647
Total current liabilities		17,088	16,400
Non-current liabilities			
Borrowings		783	933
Deferred tax liabilities		693	703
Provisions		1,004	915
Total non-current liabilities		2,480	2,551
Total liabilities		19,568	18,951
Net assets		17,586	13,234
Equity			
Issued capital		6,111	3,234
Reserves		6,231	6,292
Retained earnings		5,244	3,708
Total equity		17,586	13,234

Notes to the condensed consolidated financial statements are included on pages 14 to 19.

Condensed consolidated statement of changes in equity for the half-year ended 31 December 2009

	Share capital $'000	Reserves $'000	Accumulated Profit/(Losses) $'000	Total $'000
Balance at 1 July 2008	-	-	1,904	1,904
Reverse acquisition of MSL	3,234	6,168	-	9,402
Asset revaluation	-	1,505	-	1,505
Dividend paid	-	-	(854)	(854)
Exchange differences arising on translation of foreign operations	-	(261)	-	(261)
Profit for the period	-	-	2,107	2,107
Total equity	3,234	7,412	1,253	11,899
Balance at 31 December 2008	3,234	7,412	3,157	13,803
Balance at 1 July 2009	3,234	6,292	3,708	13,234
Exchange differences arising on translation of foreign operations	-	(45)	-	(45)
Profit for the period	-	-	1,520	1,520
Sub -total	-	(45)	1,520	1,475
Recognition of share-based payments	677	-	-	677
Issue of non participating preference shares	2,200	-	-	2,200
Capital loss on acquisition	-	(16)	-	(16)
Retained earnings on acquisition	-	-	16	16
Balance at 31 December 2009	6,111	6,231	5,244	17,586

Notes to the condensed consolidated financial statements are included on pages 14 to 19.

Condensed consolidated statement of cash flow for the half-year ended 31 December 2009

	Note	Consolidated Half-year ended 31 Dec 2009 $'000	Consolidated Half-year ended 31 Dec 2008 $'000
Cash flows from operating activities			
Receipts from customers		26,845	20,334
Payments to suppliers and employees		(26,305)	(16,615)
Interest and other costs of finance paid		(327)	(388)
Income tax paid		-	(942)
Net cash (used in)/provided by operating activities		213	2,389
Cash flows from investing activities			
Interest received		10	20
Dividends received		65	-
Payment for property, plant and equipment		(370)	(464)
Proceeds from sale of property, plant and equipment		69	144
Payment for intangible assets	8	(1,484)	-
Payment for businesses	8	(497)	-
Net cash used in investing activities		(2,207)	(300)
Cash flows from financing activities			
Proceeds from issues of equity securities		2,877	-
Repayment of loan to related party		(2,200)	-
Proceeds from borrowings		1,536	1,100
Repayment of borrowings		(875)	(1,387)
Dividends paid		(360)	-
Net cash provided by/(used in) financing activities		978	(287)
Net (decrease)/increase in cash and cash equivalents		(1,016)	1,802
Cash and cash equivalents at the beginning of the period		3,218	847
Cash and cash equivalents at the end of the period		2,202	2,649

Reconciliation of cash and cash equivalents

Cash at the end of the financial period as shown above is reconciled to the related items in the balance sheet as follows:-

Cash and cash equivalents	2,202	2,649

Notes to the condensed consolidated financial statements are included on pages 14 to 19.

Notes to the condensed consolidated financial statements

Corporate Information

TMA Group of Companies Limited ("Company") is a company Incorporated in Australia, limited by shares which are traded on the Australian Stock Exchange ('ASX'), (ASX code 'TMA'). The Company was previously known as Mark Sensing Limited (ASX code 'MPI') up to 2 December 2009.

1. Significant accounting policies

Statement of compliance

The half-year financial report is a general purpose financial report prepared in accordance with the Corporations Act 2001 and AASB 134 'Interim Financial Reporting'. Compliance with AASB 134 ensures compliance with International Financial Reporting Standard IAS 34 'Interim Financial Reporting'. The half-year financial report does not include notes of the type normally included in an annual financial report and shall be read in conjunction with the most recent annual financial report.

Where necessary, comparative information has been reclassified to achieve consistency in disclosure with current period financial amounts and other disclosures.

Basis of preparation

Historical cost convention

The condensed consolidated half year financial statements have been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets. All amounts are presented in Australian dollars, unless otherwise noted.

The company is a company of the kind referred to in ASIC Class Order 98/100, dated 10 July 1998, and in accordance with that Class Order amounts in the directors' report and the half-year financial report are rounded off to the nearest thousand dollars, unless otherwise indicated.

The accounting policies and methods of computation adopted in the preparation of the half-year financial report are consistent with those adopted and disclosed in the company's 2009 annual financial report for the financial year ended 30 June 2009, except for the impact of the standards and interpretations described below. These accounting policies are consistent with Australian Accounting Standards and with Australian equivalents to International Financial Reporting Standards.

The financial report has been prepared on the basis that the consolidated entity is a going concern which assumes continuity of normal business activities and the realisation of assets and the settlement of liabilities in the ordinary course of business.

Accounting Standards not previously applied

The Company has adopted the following new and revised Australian Accounting Standards issued by the AASB which are mandatory to apply to the current interim period. Disclosures required by these Standards that are deemed material have been included in this financial report on the basis that they represent a significant change in information from that previously made available.

(i) Presentation of Financial Statements

AASB 101 prescribes the contents and structure of the financial statements. Changes reflected in this financial report include the replacement of income statement with statement of comprehensive income. Items of income and expense not recognised in profit or loss are now disclosed as components of 'other comprehensive income'. In this regard, such items are no longer affected as equity movements in the statement of changes in equity.

Notes to the condensed consolidated financial statements

(ii) Operating Segments

From 1 July 2009, the Company has adopted AASB 8 Operating Segments, whereby segment information is identified and disclosed on the basis of internal reports that are regularly provided to, or reviewed by, the Company's chief operating decision maker which, for the Company, is the Board of Directors. In this regard, such information is provided using different measures to those used in preparing the statement of comprehensive income and statement of financial position. Reconciliations of such management information to the statutory information contained in the interim financial report have been included.

Accounting for Reverse Acquisition (Prior period)

On 22 October 2008 the merger between Mark Sensing Limited and TMA Group of Companies Pty Limited became effective. The transaction has been accounted for using the guidelines as set out in AASB 3 'Business Combinations'. In line with the guidelines of that standard, the transaction has been accounted for as a reverse acquisition.

The prior year consolidated results of TMA Group of Companies Limited incorporate the following:

- TMA Group of Companies Pty Limited for the period 1 July to 31 December 2008;
- Mark Sensing Limited for the period 23 October to 31 December 2008.

Critical accounting judgments and key sources of estimation uncertainty

In the application of the Group's accounting policies, set out in note 2 in the 2009 annual report and in note 1 of this report, management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates and underlying assumptions are recognised in the period in which the estimates are revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

2. Investments accounted for using the equity method

Movement in investment in Associate

	Consolidated	
	Half-year ended 31 December 2009 $'000	Year ended 30 June 2009 $'000
Equity accounted amount of investment at the beginning of the interim period,	226	-
Acquisitions through business combinations 22 October 2008	-	187
Share of profit from continuing activities before income tax	140	56
Share of income tax expense related to continuing activities	(42)	(17)
Dividend received	(65)	-
Equity accounted amount of investment at the end of the interim period.	259	226

Notes to the condensed consolidated financial statements

3. Segment Information

The Group has adopted AASB 8 *Operating Segments* and AASB 2008-3 *Amendments to Australian Accounting Standards arising from AASB 8* with effect from 1 January 2009. AASB 8 requires operating segments to be identified on the basis of internal reports about components of the Group that are regularly reviewed by the chief operating decision maker in order to allocate resources to the segment and to assess its performance. Following the adoption of AASB 8, the identification of the Group's reportable segments has changed.

In prior years, segment information reported externally was analysed on the basis of geographical segments that the Group's operated in (Australia and New Zealand, China and South East Asia). This year the information reported to the Group's Chief Executive Officer for the purpose of resource allocation and assessment of performance has been expanded in line with its recent acquisitions. The Group's reportable segments under AASB 8 are therefore as follows

- Australia and New Zealand Converting
- Australia and New Zealand Technology
- China and
- South East Asia.

*Australia and New Zealand Converting reportable segment – supply airline, parking, venue, gaming, transit tickets, thermal and plain paper or poly receipt rolls, labels and tags, security and protective coatings applied to paper, film or board and converts coated and non coated product to customer specifications.

*Australia and New Zealand Technology reportable segment – supply several kinds of equipment with the view to establishing new markets for the Australia and New Zealand Converting segment.

*China reportable segment - supply airline, parking, venue, gaming & lottery, transit tickets, thermal paper or poly receipt rolls, bag-tags, labels to customer specifications for the domestic (China) markets.

*South East Asia reportable segment – supply airline, parking, venue, gaming, transit tickets, thermal and plain paper or poly receipt rolls, labels and tags, security and protective coatings applied to the paper, film or board and converts coated and non coated product to customer specifications.

Information regarding these segments is presented below. Amounts reported for the prior period have been restated to conform to the requirements of AASB 8. The accounting policies of the new reportable segments are the same as the Group's accounting policies.

The following is an analysis of the Group's revenue, results and asset allocation by reportable operating segment for the period under review:

Business Segments

	Revenue		**Segment PBT**	
	Half-year ended		**Half-year ended**	
	31 Dec 2009	**31 Dec 2008**	**31 Dec 2009**	**31 Dec 2008**
Continuing Operations	**$'000**	**$'000**	**$'000**	**$'000**
Australia and New Zealand				
- Converting	16,836	14,828	1,400	2,526
- Technology	4,715	-	365	-
China	3,377	1,369	(16)	(86)
South East Asia	3,921	4,423	471	574
Total Revenue	**28,849**	**20,620**	**-**	**-**
Total PBT	**-**	-	**2,219**	**3,014**
Share of profit of associate			98	18
Profit before tax			**2,318**	**3,032**

Notes to the condensed consolidated financial statements

3. Segment Information (cont'd)

Segment	**SEGMENT ASSETS**		**SEGMENT LIABILITIES**	
- Assets & Liabilities	**31 Dec 2009**	**31 Dec 2008**	**31 Dec 2009**	**31 Dec 2008**
	$'000	**$'000**	**$'000**	**$'000**
Australia and New Zealand				
- Converting	27,582	24,405	(14,136)	(14,704)
- Technology	2,784	-	(1,731)	-
China	4,900	5,901	(2,406)	(3,069)
South East Asia	1,887	1,879	(1,295)	(1,178)
Total	**37,154**	**32,185**	**(19,568)**	**(18,951)**

Segment	**SEGMENT ASSETS**		**SEGMENT LIABILITIES**	
-Acquisition of assets	**31 Dec 2009**	**31 Dec 2008**	**31 Dec 2009**	**31 Dec 2008**
	$'000	**$'000**	**$'000**	**$'000**
Australia and New Zealand				
- Converting	-	-	-	-
- Technology	1,963	-	(1,266)	-
China	-	-	-	-
South East Asia	-	-	-	-
Total	**1,963**	**-**	**(1,266)**	**-**

4. Significant items affecting the results for the period

Other than the acquisition of the Abacus security assets and the TTM Group described earlier, no other significant items affected the results in the period ended 31 December 2009.

5. Goodwill

	Half year ended 31 December 2009	**Year ended 30 June 2009**
Gross carrying amount	**$'000**	**$'000**
Balance at beginning of the interim period	327	323
Additional amounts recognised from business combinations occurring during the period (note 8)	1,151	4
Balance at end of the interim period	1,478	327
Accumulated impairment losses		
Balance at beginning of the interim period	-	-
Impairment losses for the year	-	-
Balance at end of the interim period	**-**	**-**

5. Goodwill (cont'd)

	Half year ended 31 December 2009	**Year ended 30 June 2009**
Net book value		
At the beginning of the interim period	**327**	**323**
At end of the interim period	**1,478**	**327**

Notes to the condensed consolidated financial statements

6. Borrowings

During the period, the Group obtained new short-term bank loans to the amount of $1,550 (000's) (2008: $2,110 (000's)). The loan bears interest at variable market rates and is payable within 1 to 3 years. Proceeds from the loan have been used to meet the acquisitions during the period.

Repayments of the other bank and related party loans amounting to $3,075 (000's) (2008: $2,177 (000's)) were made in line with previously disclosed repayment terms.

7. Contingencies and commitments

The consolidated entity is a defendant in a legal action which commenced in February 2005, involving the alleged failure to pay commissions. The directors continue to hold the view, based on legal advice, that the action can be successfully defended and therefore no losses will be incurred. In relation to the same matter, the consolidated entity has a claim outstanding that commissions were overpaid. Based on legal advice the directors believe there is a probability that the claim will be successful however the entity is not able to reliably measure the amounts to be received or paid, if any at this stage. No provision has been made or contingent asset recorded in regards to the above action.

The consolidated entity has funding facilities from the National Australia Bank Limited which are secured in full by a Registered Mortgage Debenture over the whole of the assets of the consolidated entity.

8. Acquisition of Subsidiary

On 13 November 2009, the Group acquired 100% of the shares of TTM Equipment Pty Limited, TTM Equipment (NSW) Pty Limited and TTM Equipment (Vic) Pty Limited, ('TTM').

The TTM business is equipment, sales, supply, installation, maintenance and service of parking revenue and control equipment in Australia.

The main advantages of this acquisition to the TMA Group are to further expand our capacity and footprint in this market throughout Australia in support of the converting business.

Consideration transferred

	$'000
Cash	1,086
Issued 16,944,000 shares @ $0.04	677
Total Consideration	1,763
Price adjustment on settlement	(315)
Net assets acquired	(497)
Goodwill	951

Acquisition-related costs amounting to $86 (000's) have been excluded.

Notes to the condensed consolidated financial statements

8. Acquisition of Subsidiary (cont'd)

Assets acquired and liabilities assumed at the date of acquisition

	Provisional $'000
Current assets	
Cash & cash equivalents	139
Trade receivables	338
Inventories	302
Deferred tax asset	137
Non-current assets	
Plant & equipment	293
Current liabilities	
Trade & other payables	(648)
Non-current liabilities	
Non-current payables	(64)
Net Assets	497

On 4 July 2009 the Group acquired the business of Abacus security.

The Abacus business is the supply, installation and maintenance of security systems.

The main advantage of this acquisition to the TMA Group is to further expand our capacity and footprint in this market throughout Australia in support of the converting business.

Consideration transferred

	$'000
Cash	150
Deferred settlement	50
Total Consideration	200
Net assets acquired	-
Goodwill	200

9. Events occurring subsequent to reporting date

No other matters or circumstances have arisen since 31 December 2009 that have significantly affected or may significantly affect the operations of the Company, the results of those operations, or the state of affairs of the Company in subsequent financial years.