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## Appendix 4E

# Preliminary Final Report of **TMA GROUP OF COMPANIES LIMITED**

(ABN 66 006 627 087)

for the Financial Year  
Ended 30 June 2011

This Preliminary Final Report is provided to the Australian Stock Exchange (ASX) under ASX Listing Rule 4.3A.



**TMA Group of Companies Limited**

ABN 66 006 627 087

4-6 Straits Avenue, Locked Bag 60, Granville NSW 2142

**AUSTRALIA • CHINA • HONG KONG • NEW ZEALAND • PHILIPPINES • THAILAND**

**understand — innovate — commit — deliver**

## TMA GROUP OF COMPANIES

Results for Announcement To The Market  
For the Financial Year Ended ('current period') 30 June 2011  
( 'previous corresponding period' 30 June 2010)

Revenue and Net Profit			
		Percentage Change %	Amount \$'000
Revenue	Up	21	66,969
Profit	Down	23	2,371
Profit attributable to members	Down	23	2,371

Dividends (Distributions)	Amount per security	Franked amount per security
Final dividend - Ordinary Shares - Preference Shares (cents)	Nil ¢ 1.62¢	Nil ¢ 0.69¢
Interim dividend	Nil ¢	Nil ¢
Record date for determining entitlements to the dividend:		
• Final dividend		N/A
• Interim dividend		N/A

<b>Earnings per Ordinary Fully Paid Share (EPS)</b>	<b>Current Period</b>	<b>Previous Corresponding Period</b>
Basic EPS (cents per share)	1.82	2.51
Diluted EPS (cents per share)	1.82	2.51
<b>NTA Backing</b>	<b>Current Period</b>	<b>Previous Corresponding Period</b>
Net tangible assets backing per ordinary security (cents per share)	14.22	14.76

**Brief explanation of the figures reported above:**  
Refer to attached commentary

***The attached financial statements and Directors' declaration have been audited***

**Annual General Meeting**  
Place: Sydney  
Date: Estimated late November 2011  
**Time: TBA**  
**Annual Report available (approximate date): 31 August 2011**

## Managing Director's Report

### OUR COMPANY

#### Review of Operations

TMA's profit before income tax for the year is \$4,887,000 compared to \$3,978,000 in the previous year. The financial results for this year compared to last year are as follows:

	30 June 2010	% of Sales	30 June 2011	% of Sales	% 10 to 11 Movement
	\$'000		\$'000		
<b>Sales</b>	<b>55,190</b>		<b>66,969</b>		<b>21</b>
EBITDA	6,015	11%	7,250	11%	21
EBIT	4,337	8%	5,485	8%	26
<b>Profit /(loss) before tax</b>	<b>3,978</b>	<b>7%</b>	<b>4,887</b>	<b>7%</b>	<b>23</b>
Profit after tax	3,066	6%	2,371	4%	(23)

#### Commentary on the results

TMA continued its strong trend of revenue growth in 2011 with revenue increasing by 21%. This is additional to the 2010 revenue growth of 23%. Profit before tax (PBT) was up again by 23% on the previous year but the after tax profit is down by 23% as a result of the evaporation of carried forward tax losses.

The Group continues to generate strong cash flow. Net debt is \$6,237,000 which is 30% of total equity. Interest Cover improved (EBIT / net interest expense) from 8.1 to 9.2 times for this year.

The strong profit result and positive cash flow generation reflects the full year impact of the initiatives taken in the previous year to underpin sales and margins. The Group undertook a number of significant initiatives, which included selective price increases, improved purchasing terms and tight working capital controls which were held through the financial year. These initiatives have helped to limit the impact of the strengthening Australian Dollar to a foreign exchange loss of \$197,000.

Our solid profit before tax growth of 23% is beginning to reflect the benefits from our continued growth and synergies programme.

The relatively low level of net debt positions TMA for future growth. The Group is well placed to pursue both organic growth and other complementary acquisitions.

#### Australia and New Zealand

The Directors are very pleased to see the Group win major contracts from 'blue chip' customers, reinforcing TMA's reputation for product quality and service capability. Examples of our recent major contracts are-

- **Coles Label Contract**

The Group announced on 27 July 2010 that TMA Australia Pty Limited, had won a new contract to supply in store and distribution centre self adhesive labels to the Coles Division of Wesfarmers Limited (ASX code WES). The contract term is for a period of up to five years which represents a

## **Review of Operations (cont'd)**

significant expansion of TMA's labels business. Initial estimates indicate that the contract will generate revenue of approximately \$7 million per annum.

### **- Qantas Print Management**

The Group announced on 18 August 2010 that TMA Australia Pty Limited has been awarded the Qantas Print Management Contract, related to the procurement, execution and delivery of all printed matters for Qantas Airways Limited (ASX:QAN).

The 2 year agreement, with a 1 year option, is expected to generate up to \$10 million of annual revenue for the Group and is in addition to TMA's existing contract with Qantas.

### **- Perth Airport**

The Group announced on 25 August 2010 that TMA Australia Pty Limited has been awarded the contract to supply and install car park access and control equipment at Perth Airport.

This contract is to supply and install the latest technology in parking equipment including licence plate recognition, online reservation system and the new print @ home ticket for customers and will generate revenue of up to \$4 million during the current financial year.

TMA Australia Pty Limited has also secured an ongoing preventative maintenance agreement as part of the contract.

### **- Acquisitions**

In addition to the organic growth the Group expects to continue to pursue new business opportunities and as such completed the acquisition of Premier Business Group on 1 October 2010, which will bring estimated annual sales of \$7 million to the Group with a strong EBITDA margin prior to synergies.

Premier will provide further diversification to TMA's manufacturing capability whilst also adding products and broadening the scope of TMA. TMA is well on the path of implementing the significant synergies with our existing operation in New Zealand.

## **Philippines**

The joint venture with the Philippines Charity and Sweepstakes Organisation (PCSO) continues in line with earlier advice and market disclosure.

## **Our China Result**

TMA continues to invest a significant amount of time and money in the China business. The China business has incurred a loss of \$801,000. While this is a disappointing result, the China business is expected to return to profit next financial year.

## **Our People**

With all the challenges and uncertain economic conditions our people's effort and commitment is key to steering the organisation through these uncertain times. I would like to reiterate my appreciation and thanks to all the staff.

## Review of Operations (cont'd)

### Outlook

TMA continues to maintain its strong focus on profitable organic and acquisition growth.

### Future Developments

Disclosure of information regarding likely developments in the operations of the Group in future financial years and the expected results of those operations is likely to result in unreasonable prejudice to the Group. Accordingly, this information has not been disclosed in this report.

### 6. Subsequent Events

As advised in our ASX release dated 15 August 2011, TMA has called a meeting of shareholders to consider the motion to be removed from the official list of the ASX (Delist). The meeting is scheduled for 10am on September 20, 2011.

There is no matter or circumstance, other than that referred to in the financial statements or notes thereto, that has arisen since the end of the financial year, that has significantly affected, or may significantly affect, the operations of the Group, the results of those operations, or the state of affairs of the Group in future financial years.

On behalf of the Directors



Anthony Karam  
Managing Director/ CEO

SYDNEY, 31 August 2011.