

# MARKET ANNOUNCEMENT



20 February 2012

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## MACA Reports Record Half Year Result

MACA Limited ('MACA') (ASX: MLD) is pleased to report that it has delivered record half year results, with statutory net profit after tax for the half year to 31 December 2011 of \$16.4 million on revenue of \$141.2 million. In consideration of the sound result and strong balance sheet position, the board has resolved to increase the fully franked interim dividend to 3.5 cents per share.

### Financial and Operational Highlights

- Operating Revenue up 12% to \$141.2 million
- EBITDA up 9% to \$36.1 million
- Net profit after tax up 9% to \$16.4 million
- Cash and listed investments totaling \$23.8 million
- Interim Dividend of 3.5c per share fully franked
- Contract win in November 2011 with \$65 million in revenue over 21 months
- Record order book of +\$1,400 million as at 31 Dec 11
- Forecast revenue for 2012FY to exceed \$300 million an increase of 20% over 2011FY
- Well positioned to take on new contracts in the second half

### Results Summary

2012 FY Half Year Results		31 December 2011 Statutory	31 December 2010 Statutory	Change
Revenue	\$m	141.2	126.0	12%
EBITDA	\$m	36.1	33.2	9%
EBIT	\$m	24.4	23.0	6%
Net Profit Before Tax	\$m	23.0	21.6	6%
Net Profit After Tax	\$m	16.4	15.1	9%
Contracted Work in Hand	\$m	1,401	712	97%
Earnings per share – basic	cps	10.9	10.0 <sup>1</sup>	9%
Dividend per share (fully franked)	cps	3.5	3.0	17%

<sup>1</sup> EPS based on 150 million shares on issue post IPO completion for comparative purposes

### About MACA

MACA Limited is a mining and civil contractor with major projects throughout Australia. Employing more than 750 people, MACA offers a full range of surface mining and crushing services, and civil infrastructure services. Visit [www.maca.net.au](http://www.maca.net.au) for more information.

## Results Discussion

The half year result represents the strongest since the founding of the Company in 2002 and has been achieved during a period in which MACA has successfully positioned itself for continued growth in earnings over the remainder of the current financial year and beyond. Revenue for the 6 month period to 31 December 2011 was \$141 million, up 12% on the previous corresponding period with net profit after tax being \$16.4 million, an increase of 9%.

Mining and crushing services have continued to make solid contributions to group profit through consistent operational performance and lower equipment costs attributable to a conservative balance sheet.

MACA Civil Pty Ltd, which is controlled by MACA Limited (60%) made a modest but positive financial contribution to the half year result. MACA Civil has been successful in achieving assignment of accreditation with Main Roads of Western Australia (MRWA) and securing significant contracts with both MRWA and private sector clients. The initial investment in aligning systems and developing an appropriate support structure has the business well placed to complement the traditional core activities of the group and increase its contribution to future earnings.

MACA has grown its workforce to in excess of 750 people and continues to make a significant investment in the training and development of its people. With long term contracts in place, MACA is in the enviable position of being able to offer career opportunities to both existing and new employees and this has assisted in attracting and retaining appropriate human resources to meet the growing requirements of the business.

The MACA client base remains diversified with a mix of public sector, ASX listed and international clients operating in the iron ore, gold, diamonds and base minerals sectors.

Managing Director, Chris Tuckwell, said “it is very pleasing that we have continued to deliver on our strategic objective of sustainable and profitable growth through both contract extensions and new contract works. It is particularly pleasing that we have operated lost time injury (LTI) free during the reporting period while successfully commencing new projects with Regis Resources at Garden Well, Kimberley Diamonds at Ellendale and OneSteel at Peculiar Knob in South Australia, our first project outside of Western Australia”.

## Outlook

MACA's order book currently stands at \$1.4 billion with an average length of contract exceeding 3 years. MACA is in a sound position both operationally and financially to pursue further work and is currently in active discussions with both existing and potential new clients in relation to contract extensions and new contract works.

MACA's earnings are forecast to grow over the second half as projects commenced in the first half make a greater contribution. MACA's earnings for the first half exceeded internal budgets, and MACA remains confident in respect of the Company's previous guidance on 8 December 2011, being that revenue for the year ended 30 June 2012 is forecast to exceed \$300 million, an increase of approximately 20% on revenue generated for the year ended 30 June 2011.

We look forward to continuing to reward our shareholders with attractive returns by operating safely, profitably and making a significant contribution to the success of our clients.

For further information please contact:

Chris Tuckwell  
Managing Director  
MACA Limited  
(08) 9351 8488

Ross Williams  
Finance Director  
MACA Limited  
(08) 9351 8488



**MACA Limited and its Controlled Entities**

ABN 42 144 745 782

**Half Year Financial Report and Appendix 4D  
31 December 2011**



# **MACA Limited and its Controlled Entities**

ABN 42 144 745 782

## **Half Year Financial Report 31 December 2011**

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## Results for Announcement to the Market –Appendix 4D

Current Reporting Period: Half-year ended 31 December 2011

Previous Corresponding Reporting Period: Half-year ended 31 December 2010

<b>Earnings</b>	<b>% Change</b>	<b>Amount \$'000</b>
Revenue from ordinary activities	+12%	141,211
Profit from ordinary activities after tax attributable to members of the parent	+22.8%	16,411
Net profit attributable to members of the parent	+22.8%	16,411

Information regarding the increase in revenue and profit for the period is set out in the covering announcement accompanying this Report, and in the Review of Operations in the Directors' Report on page 2.

<b>Dividends</b>	<b>Amount per share</b>	<b>Franked amount per share</b>
Final dividend for 2011	3 cents	3 cents
Interim dividend for 2012	3.5 cents	3.5 cents

The Directors have determined to pay an interim dividend based on the December 2011 half year result of 3.5c per share.

The Company paid a final fully franked dividend for the 2011 financial year of 3.0 cents per share on 21 September 2011.

The record date for entitlement to the interim dividend is 12 March 2012.

The payment date for the interim dividend is 30 March 2012.

### Dividend reinvestment plan

There was no dividend reinvestment plan in place at 31 December 2011.

<b>Net Tangible Assets</b>	<b>31 December 2011</b>	<b>31 December 2010</b>
Net tangible assets per share	67.28 cents	52.86 cents

### Details of Entities Where Control has been Gained or Lost During the Period

On 1 July 2011, the Group acquired a further 26.67% of the issued capital of Riverlea Corporation Pty Ltd (taking the total held to 60%), a company mostly involved in contracting of civil services. Refer to note 5 to the financial statements for further details.



# Directors' Report

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Your directors present their report on MACA Limited ("the Company") and its controlled entities ("the Consolidated Entity" or "the Group") for the half year ended 31 December 2011.

## Directors

The names of the directors in office at any time during or since the end of the half-year are:

Hugh Andrew Edwards – Non Executive Chairman  
Geoffrey Alan Baker – Operations Director  
Ross Campbell Williams – Finance Director  
Christopher Mark Tuckwell – Managing Director  
Joseph Ronald Sweet – Non Executive Director  
Karen Field – Non Executive Director

Directors have been in office since the start of the financial period to the date of this report unless otherwise stated.

## Review of operations

A summary of consolidated revenues and results for the half year is set out below –

	<b>2011</b>	<b>2010</b>
	<b>\$'000</b>	<b>\$'000</b>
Revenue	141,211	125,999
Net profit after tax	16,535	15,085
Profit attributable to members of MACA Limited	16,411	13,368

MACA Limited is pleased to report it has delivered a net profit after tax attributable to members of \$16.4 million for the half year to 31 December 2011.

## Financial and Operating Highlights

- Operating Revenue of \$141 million
- EBITDA of \$36.1 million
- Net Profit after tax attributable to members of \$16.4 million
- Dividend of 3.5c per share
- Order book of \$1,401 million as at December 2011.

Mining and crushing services have continued to contribute strongly to group profit and most importantly, the company operated LTI (Lost Time Injury) free during the entire reporting period. The strong result was driven by lower than forecast plant ownership costs and greater utilisation of new equipment over the latter part of the half year as activity levels increased on new contracts.

MACA Civil Pty Ltd, which is controlled by MACA Limited (60% ownership) has been successful in achieving assignment of accreditation with Main Roads of Western Australia (MRWA) and securing significant contracts with both MRWA and private sector clients. Although the initial investment in aligning systems and developing an appropriate support structure has impacted profitability, the business is now well placed to complement the traditional core activities of the group and contribute to future earnings.



# Directors' Report

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New capital raised at the successful Initial Public Offering in October 2010 has enabled the company to expand its extensive equipment fleet to fulfil new contract requirements and position the company for continued growth in line with its strategic objectives.

The Group has a good balance of international, public sector and ASX listed clients and is in continuing negotiations with both existing and potential new clients in relation to contract extensions and upcoming project works.

## Operating Cash Flow and Capital Expenditure

Operating cash flow for the six months ending 31 December 2011 was \$17.7 million.

Capital expenditure for the first half of this financial year was \$51.3 million as the company successfully sourced quality equipment for both new and continuing contracts. Purchases were funded by a combination of cash (\$32.4 million) and commercial hire purchase agreements with the high level of internal funding resulting in modest financing costs.

## Interim Dividend

The directors have determined to pay a fully franked interim dividend of 3.5c per share with a record date of 12 March 2012 and payment date of 30 March 2012.

The total dividend paid during the half year was \$4,500,000 (2010: \$6,500,000).

## Events Subsequent to Balance Date

After balance date events included the following:

- The Group has committed to the purchase of capital equipment with a cost \$25.5m. This will be funded via a combination of both cash and equipment finance.
- The company issued 550,000 performance rights to Managing Director, Mr Christopher Tuckwell, for nil consideration. No consideration is to be paid for the performance rights, which will vest upon achievement of the performance milestone set by the Board. The issue of performance rights was approved by shareholders at the AGM held on 16 November 2011.

No other matters or circumstances have arisen since the end of the half year which 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.

## Auditor's Independence Declaration

A copy of the auditor's independence declaration as required under section 307C of the Corporations Act 2001 is set out on page 5 for the half year ended 31 December 2011.

## Rounding of Amounts

The Group has applied the relief available to it in ASIC Class Order 98/100 and accordingly certain amounts in the financial report and the directors' report have been rounded off to the nearest \$1,000.





# Directors' Report

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## Outlook

MACA is well positioned operationally to pursue further work and is currently in active discussions with both existing and potential new clients in relation to contract extensions and new contract works. MACA has ongoing access to quality equipment required to support these growth objectives.

MACA's earnings are forecast to grow over the second half as projects commenced in the first half make a greater contribution. MACA's earnings for the first half exceeded internal budgets, and MACA remains confident in respect of the Company's previous guidance on 8 December 2011, being that revenue for the year ended 30 June 2012 is forecast to exceed \$300 million, an increase of approximately 20% on revenue generated for the year ended 30 June 2011.

We look forward to continuing to reward our shareholders with attractive returns by operating safely, profitably and making a significant contribution to the success of our clients.

This report is made in accordance with a resolution of directors.



**CHRIS TUCKWELL**  
Managing Director

DATED at PERTH this 16<sup>th</sup> day of February 2012.

## MACA LIMITED

### Auditor's Independence Declaration

#### UNDER SECTION 307C OF THE CORPORATIONS ACT 2001 TO THE DIRECTORS OF MACA LIMITED

As lead auditor for the review of MACA Limited for the half year ended 31 December 2011, I declare that to the best of my knowledge and belief, there have been:

(i) no contraventions of the auditor independence requirements as set out in 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.



**NEIL PACE**  
**PARTNER**



**MOORE STEPHENS**  
**CHARTERED ACCOUNTANTS**

Signed at Perth this 17<sup>th</sup> day of February 2012.

# Consolidated Statement of Comprehensive Income

for the half-year ended 31 December 2011

		31 December 2011 \$'000	31 December 2010 \$'000
	Note		
Revenue	2	141,211	125,999
Other income	2	9,363	8,091
Direct costs		(120,930)	(106,632)
Finance costs		(1,404)	(1,495)
Share-based payment expense		(137)	(978)
Other expenses from ordinary activities		(5,086)	(3,419)
Profit before income tax expense		23,017	21,566
Income tax expense		(6,482)	(6,481)
<b>Profit for the period</b>		<b>16,535</b>	<b>15,085</b>
Other comprehensive income for the period, net of tax:			
Net gain on revaluation of financial assets		(332)	779
<b>Total comprehensive income for the period</b>		<b>16,203</b>	<b>15,864</b>
Profit attributable to:			
- Non-controlling interest		124	1,717
- Members of the parent entity		16,411	13,368
		<b>16,535</b>	<b>15,085</b>
Total comprehensive income attributable to:			
- Non-controlling interest		124	1,821
- Members of the parent entity		16,079	14,043
		<b>16,203</b>	<b>15,864</b>
Earnings per share:			
- Basic (cents per share)	3	10.94	9.82
- Diluted (cents per share)	3	10.64	9.63

The accompanying notes form part of these financial accounts



# Consolidated Statement of Financial Position

as at 31 December 2011

		31 December 2011 \$'000	30 June 2011 \$'000
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		20,963	50,563
Trade and other receivables		42,987	28,669
Inventory		3,309	2,111
Other assets		653	405
<b>TOTAL CURRENT ASSETS</b>		<b>67,912</b>	<b>81,748</b>
<b>NON CURRENT ASSETS</b>			
Financial assets		2,819	3,294
Investments accounted for using the equity method		-	500
Property, plant and equipment		109,909	70,328
Deferred tax assets		1,856	1,512
<b>TOTAL NON CURRENT ASSETS</b>		<b>114,584</b>	<b>75,634</b>
<b>TOTAL ASSETS</b>		<b>182,496</b>	<b>157,382</b>
<b>CURRENT LIABILITIES</b>			
Trade and other payables		27,772	25,020
Borrowings		18,788	18,153
Current tax liabilities		5,943	4,034
Short-term provisions		3,232	2,565
<b>TOTAL CURRENT LIABILITIES</b>		<b>55,735</b>	<b>49,772</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred tax liabilities		177	401
Borrowings		25,659	18,966
<b>TOTAL NON-CURRENT LIABILITIES</b>		<b>25,836</b>	<b>19,367</b>
<b>TOTAL LIABILITIES</b>		<b>81,571</b>	<b>69,139</b>
<b>NET ASSETS</b>		<b>100,925</b>	<b>88,243</b>
<b>EQUITY</b>			
Issued capital	6	35,509	35,571
Reserves		545	740
Retained earnings		63,919	52,008
Parent Interest		99,973	88,319
Non-controlling Interest		952	(76)
<b>TOTAL EQUITY</b>		<b>100,925</b>	<b>88,243</b>

The accompanying notes form part of these financial accounts



# Consolidated Statement of Changes in Equity

for the half-year ended 31 December 2011

	Issued Capital \$'000	Retained Earnings \$'000	Financial Assets Reserve \$'000	Option Reserve \$'000	Non Controlling Interests \$'000	Total \$'000
BALANCE AT 1 JULY 2010	-	23,550	154	-	10,813	34,517
Profit attributable to members of the parent entity	-	13,368	-	-	-	13,368
Profit attributable to non-controlling interests	-	-	-	-	1,717	1,717
<i>Other comprehensive income:</i>						
Revaluation of Investment	-	-	676	-	103	779
TOTAL COMPREHENSIVE INCOME	-	13,368	676	-	1,820	15,864
Shares issued	37,153	-	-	-	-	37,153
Capital raising cost	(1,583)	-	-	-	-	(1,583)
Options issued	-	-	-	32	-	32
Acquisition of minority interest	-	12,378	255	-	(12,633)	-
Dividends paid or provided for	-	(6,500)	-	-	-	(6,500)
<b>BALANCE AT 31 DECEMBER 2010</b>	<b>35,570</b>	<b>42,796</b>	<b>1,085</b>	<b>32</b>	<b>-</b>	<b>79,483</b>
BALANCE AT 1 JULY 2011	35,570	52,008	614	126	(76)	88,243
Profit attributable to members of the parent entity		16,411				16,411
Profit attributable to non-controlling interests					124	124
<i>Other comprehensive income:</i>						
Revaluation of Investment			(332)			(332)
TOTAL COMPREHENSIVE INCOME	-	16,411	(332)	-	124	16,203
Shares issued						
Capital raising cost	(61)					(62)
Options issued				137		137
Acquisition of minority interest					904	904
Dividends paid or provided for		(4,500)				(4,500)
<b>BALANCE AT 31 DECEMBER 2011</b>	<b>35,509</b>	<b>63,919</b>	<b>282</b>	<b>263</b>	<b>952</b>	<b>100,925</b>

The accompanying notes form part of these financial accounts



# Consolidated Statement of Cash Flows

for the half-year ended 31 December 2011

	31 December 2011 \$	31 December 2010 \$'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Receipts from customers	140,150	138,286
Payments to suppliers and employees	(114,786)	(98,435)
Dividends received	-	113
Interest received	924	357
Interest paid	(1,404)	(1,494)
Income tax paid	(7,217)	(6,619)
<b>Net cash provided by / (used in) operating activities</b>	<b>17,667</b>	<b>32,208</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Net cash acquired from acquisition of subsidiary	859	230
Proceeds from sale of property, plant and equipment	200	920
Purchase of property, plant and equipment	(32,408)	(4,013)
Loans to related parties	-	750
<b>Net cash provided by / (used in) investing activities</b>	<b>(31,349)</b>	<b>(2,113)</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net cash flow from borrowings	(11,418)	(8,651)
Net proceeds from share issue	-	33,385
Dividends paid by the parent	(4,500)	(6,500)
<b>Net cash provided by / (used in) financing activities</b>	<b>(15,918)</b>	<b>18,234</b>
Net increase/(decrease) in cash held	(29,600)	48,329
Cash and cash equivalents at the beginning of the period	50,563	5,861
<b>Cash and cash equivalents at the end of financial period</b>	<b>20,963</b>	<b>54,190</b>

The accompanying notes form part of these financial accounts



# Notes to the Financial Statements

for the half year ended 31 December 2011

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## NOTE 1. BASIS OF PREPARATION

These general purpose financial statements for the interim half-year reporting period ended 31 December 2011 have been prepared in accordance with the requirements of the Corporations Act 2001 and Australian Accounting Standards including AASB 134: Interim Financial Reporting.

This interim report is intended to provide users with an update on the latest annual financial statements of MACA Limited and its controlled entities (the Group). As such, it does not contain information that represents relatively insignificant changes occurring during the half-year within the Group. It is therefore recommended that this financial report be read in conjunction with the annual financial statements of the Group for the year ended 30 June 2011, together with any public announcements made during the half-year.

The same accounting policies and methods of computation have been followed in this interim financial report as were applied in the most recent annual financial statements. The relevant amendments and their effects on the current period or prior periods are described below.

The accounting policies have been applied consistently throughout the Group for the purposes of preparation of these interim financial statements.

### *Amendment to AASB 101 Presentation of Financial Statements*

The amendment provides a choice of presenting the reconciliations for each component of other comprehensive income either in the statement of changes in equity or in the notes to the financial statements. The Group has elected to retain reconciliations within the Consolidated Statement of Changes in Equity as previously disclosed.

### *Amendments to AASB 134 Interim Financial Reporting*

The amendments clarified certain disclosures relating to events and transactions that are significant to an understanding of changes in the Group's circumstances since the last annual financial statements. The Group's interim financial statements as of 31 December 2011 reflect these amended disclosure requirements, where applicable.

### **Rounding of Amounts**

The parent entity has applied the relief available to it under ASIC Class Order 98/100 and accordingly, amounts in the financial statements and directors' report have been rounded off to the nearest \$1,000. Comparative information has been adjusted to reflect this change.

The half-year financial report was authorised for issue on the 16<sup>th</sup> of February 2012 by the board of directors.



# Notes to the Financial Statements

for the half year ended 31 December 2011

31 December 2011 \$'000	31 December 2010 \$'000
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## NOTE 2. PROFIT BEFORE INCOME TAX

The operating profit before income tax includes the following specific income and expenses:

### Revenue:

<i>Contract Trading Revenue</i>	141,211	125,999
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### Other Income:

Dividends received	-	113
Interest received	924	357
Profit on acquisition of subsidiary	352	-
Profit on sale of property, plant and equipment	-	490
Rebates and other sundry income	8,087	7,131
Total other income	9,363	8,091

### Expenses:

#### Depreciation and Amortisation

Depreciation on plant and equipment	11,662	10,162
Amortisation expense	-	1
Total Depreciation and Amortisation	11,662	10,163

#### Employee Benefits Expenses (excluding share based payments)

Wages and salaries	36,355	20,339
Superannuation	1,629	1,082
Other employee entitlements	3,549	2,527
Total Employee Benefits Expenses	41,533	23,948

<i>Share based payments</i>	137	978
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#### Rental expenses relating to operating leases

Minimum lease payments	557	4,981
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## NOTE 3. EARNINGS PER SHARE (EPS)

### a. Reconciliation of earnings to profit and loss

Profit for the period	16,535	15,085
Profit attributable to non controlling interest	124	1,717
Earnings used to calculate basic EPS	16,411	13,368
Earnings used in the calculation of dilutive EPS	16,411	13,368





# Notes to the Financial Statements

for the half year ended 31 December 2011

	31 December 2011 Shares	31 December 2010 Shares
b. Weighted average number of ordinary shares outstanding during the year in calculating basic EPS	150,000,000	136,166,351
Weighted average number of dilutive options outstanding	4,178,030	2,691,911
Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS	154,178,030	138,858,262
c. Correction to comparative period EPS		
In the comparative period, the profit attributable to EPS was incorrectly disclosed as total profit, not allowing for non-controlling interest. This has been corrected in the comparative information in these financial statements. There is no effect upon profit or net assets from this correction.		
A correction to the weighted average number of dilutive shares has also been made.		31 December 2010 \$'000
The effects of the corrections are as follows:		
i. <i>Earnings</i>		
Earnings used to calculate basic and dilutive EPS		15,085
Correction to remove non-controlling interest		(1,717)
Earnings used to calculate corrected basic and dilutive EPS		13,368
ii. <i>Dilutive Shares</i>		Shares
Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS prior to correction		139,982,107
Adjustment for incorrect calculation		(1,123,845)
Weighted average number of ordinary shares outstanding during the year used in calculating dilutive EPS post correction		138,858,262
iii. <i>Basic &amp; Dilutive EPS</i>		¢ per Share
Basis EPS prior to correction		11.08
Corrected Basic EPS		9.82
Diluted EPS prior to correction		10.78
Corrected Diluted EPS		9.63
	31 December 2011 \$'000	31 December 2010 \$'000

## NOTE 4. DIVIDENDS

Final fully franked ordinary dividend of 3 cents (2010: 5.78 cents) per share franked at the tax rate of 30% (2010: 30%)

4,500	6,500
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# Notes to the Financial Statements

for the half year ended 31 December 2011

## NOTE 5. BUSINESS COMBINATIONS

On 1 July 2011 the Group acquired a further 26.67% of the issued capital in Riverlea Corporation Pty Ltd (taking the total held to 60%), a company mostly involved in contracting of civil services.

The major classes of assets and liabilities comprising the acquisition of the Company as at the date of the acquisition are as follows:

	Acquiree's carrying amount at 1 July 2011 \$'000	Fair value at 1 July 2011 \$'000
Purchase consideration - Cash:		900
Less:		
Cash and cash equivalents	1,259	1,259
Trade and other receivables	5,170	5,170
Other assets	143	143
Property, plant and equipment	707	707
Trade and other payables	(4,177)	(4,177)
Financial liabilities	(290)	(290)
Current tax liabilities	(678)	(678)
Provisions	(48)	(48)
	<u>2,086</u>	<u>2,086</u>
Percentage of ownership (60%) of identifiable assets acquired and liabilities assumed		<u>1,252</u>
Gain on acquisition		<u>352</u>

## NOTE 6. ISSUED CAPITAL

	31 December 2011 \$'000	30 June 2011 \$'000
150,000,000 (30 June 2011: 150,000,000) Fully paid ordinary shares with no par value	35,509	35,571
	No. '000	No. '000
At beginning of reporting period	150,000	-
Shares Issued during year		
- 2 September 2010 Acquisition of MACA Plant Pty Ltd	-	56,737
- 2 September 2010 Acquisition of MACA Crushing Pty Ltd	-	1,207
- 3 September 2010 Acquisition of minority interest in Mining and Civil Australia Pty Ltd	-	35,786
- 4 September 2010 Share based payment	-	947
- 16 September 2010 Share split	-	20,323
- 28 October 2010 Initial Public Offering	-	35,000
At reporting date	<u>150,000</u>	<u>150,000</u>

All of these shares were eligible to participate in dividends from the date of issue.

Ordinary shares participate in dividends and the proceeds on winding up of the parent entity in proportion to the number of shares held. At a shareholders meetings each ordinary share is entitled to one vote when a poll is called, otherwise each shareholder has one vote on a show of hands.



# Notes to the Financial Statements

for the half year ended 31 December 2011

## NOTE 7. OPERATING SEGMENTS

The group information presented in the financial report is the information that is reviewed by the Board of Directors (Chief operating decision maker) in assessing performance and determining the allocation of resources.

### Identification of Reportable Segment

The Group identifies its operating segments based on internal reports that are reviewed and used by the Board of Directors (chief operating decision maker) in assessing performance and determining the allocation of resources.

The Group operates predominantly in two business and geographical segments being the provision of civil and contract mining services to the mining industry throughout Western Australia and South Australia. A new segment was identified for the Group for this reporting period. This is as a result of the Group's diversification into civil contracting. Accordingly, the identified segment has been included in these financial statements.

	Civil Services \$'000	Contract Mining Services \$'000	Total Segments \$'000
<b>(a) Segment performance</b>			
31 December 2011			
<b>Revenue</b>			
External sales	18,799	122,412	141,211
<b>Total segment revenue</b>	18,799	122,412	141,211
<b>Segment net profit before tax</b>	420	21,465	21,885
<i>Reconciliation of segment result to group net profit/(loss) before tax</i>			
Unallocated items:			
- Gain on acquisition of subsidiary			352
- Interest revenue – subsidiary companies			337
- Head office administration revenue			587
- Head office administration expenditure			(144)
Net profit before tax from continuing operations			23,017

31 December 2010

For the half year ended 31 December 2010, the Group operated predominantly in one business and geographical segment being the provision of contract mining services to the mining industry throughout Western Australia. The financial information in the Statement of Comprehensive Income and the Statement of Financial Position was the same as that presented to the chief operating decision maker.



# Notes to the Financial Statements

for the half year ended 31 December 2011

## NOTE 7. OPERATING SEGMENTS (CONT.)

### (b) Segment assets

	Civil Services \$'000	Contract Mining Services \$'000	Total Segments \$'000
Opening balance 1 July 2011	-	101,514	101,514
Additions through business combination	6,020	-	6,020
Additions	6	49,538	49,544
Disposals	-	(928)	(928)
Other movements in segment assets	888	(278)	610
Closing balance 31 December 2011	6,914	149,846	156,760

#### Reconciliation of segment assets to group assets

##### Unallocated assets:

- Cash	20,963
- Financial assets	2,819
- Deferred tax assets	1,858
- Other	96
	<u>182,496</u>

## NOTE 8. CONTINGENT LIABILITIES

There are no material contingent liabilities at 31 December 2011.

## NOTE 9. EVENTS AFTER THE BALANCE SHEET DATE

After balance date events included the following:

- The Group has committed to the purchase of capital equipment with a cost \$25.5m. This will be funded via a combination of both cash and equipment finance.
- The company issued 550,000 performance rights to Managing Director, Mr Christopher Tuckwell, for nil consideration. No consideration is to be paid for the performance rights, which will vest upon achievement of the performance milestone set by the Board. The issue of performance rights was approved by shareholders at the AGM held on 16 November 2011.

No other matters or circumstances have arisen since the end of the financial year which 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.



## Directors' Declaration

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The directors of the Company declare that:

1. The financial statements and notes, as set out on pages 5 to 13 are in accordance with the Corporations Act 2001, including:
  - (a) complying with Accounting Standard AASB 134: Interim Financial Reporting; and
  - (b) giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and of its performance for the half-year ended on that date.
2. In the director's 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.

This declaration is made in accordance with a resolution of the Board of Directors and is signed for and on behalf of the directors by:



**CHRIS TUCKWELL**  
Director

DATED at PERTH this 16<sup>th</sup> day of February 2012

## Independent Auditor's Review Report

To the members of MACA Limited

### Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of MACA Limited and its controlled entities (the "consolidated entity"), which comprises the condensed statement of financial position as at 31 December 2011, the condensed statement of comprehensive income, condensed statement of changes in equity and condensed statement of cash flows for the half-year ended on that date, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' declaration of the consolidated entity.

### Directors' Responsibility for the Half-Year Financial Report

The directors of the consolidated entity are responsible for the preparation and fair presentation of the half-year financial report in accordance with Australian Accounting Standards and the *Corporations Act 2001*. This responsibility includes designing, implementing and maintaining internal control 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 a Financial Report 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 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 2011 and its performance for the half-year ended on that date; and complying with Accounting Standard AASB 134 *Interim Financial Reporting* and the *Corporations Regulations 2001*. As the auditor of MACA 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*. We confirm that the independence declaration required by the *Corporations Act 2001*, which has been given to the directors of MACA Limited, would be in the same terms if given to the directors as at the time of this auditor's report.


## 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 MACA limited and its controlled entities is not in accordance with the *Corporations Act 2001* including:

- (a) giving a true and fair view of the consolidated entity's financial position as at 31 December 2011 and of its performance for the half-year ended on that date; and
- (b) complying with Accounting Standard AASB 134 *Interim Financial Reporting* and *Corporations Regulations 2001*.



**NEIL PACE**  
**PARTNER**



**MOORE STEPHENS**  
**CHARTERED ACCOUNTANTS**

Signed at Perth this 17<sup>th</sup> day of February 2012.