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27 February 2006

Company Announcements
Australian Stock Exchange Limited
Level 8, Exchange Plaza
2 The Esplanade
Perth WA 6000

Dear Sirs,

ANNOUNCEMENT – CMA Half Year Report, 31 December 2005

We attach an Announcement for immediate release to the Market.

Yours faithfully,



**Patrick Raper
Company Secretary
CMA Corporation Limited**

Enc



CMA CORPORATION LIMITED

A.B.N 40 113 329 016

And Controlled Entities

Financial Statements

For the Half Year

From 1 July 2005 to 31 December 2005

Half Year Report
Period Ending 31 December 2005

Name of entity

CMA Corporation Limited

ABN

Half year ended
(current period)

Half year ended
(previous period)

40 113 329 016

31 December 2005

N/A

Please note that as the economic entity came into existence on 10 March 2005, which is less than 12 months before the reporting date, there is not an applicable previous corresponding period to the half year ended 31 December 2005.

2. Results for announcement to the market

The following information should be read in conjunction with the financial report for the six months ended 31 December 2005, which are attached behind this report.

	Current period \$000	Previous period \$000	Movement
Sales revenue	36,901	N/A	N/A
Revenues from ordinary activities	37,371	N/A	N/A
Profit from ordinary activities after tax	274	N/A	N/A

3. Net tangible assets

	Current period	Previous period
Net tangible assets per security (cents per share)	13.1	N/A

4. Control gained/lost over entities

Please refer to Note 6 of the accompanying financial report for details of changes in the composition of the entity.

The acquisitions made during the half year period were acquisitions of businesses rather than purchases of companies; the only control gained over entities arose subsequent to the end of the half year period when the Company purchased Scrap Metal Recyclers Limited and Scrap Metal Recyclers (Waikato) Limited.

5. Dividends

	Amount per security	Franked amount per security
Current period	Nil	N/A
Previous corresponding period	N/A	N/A

As at the date of this report, the Directors have not proposed that any dividend be declared in relation to the half year ended 31 December 2005.

Half Year Report
Period Ending 31 December 2005

6. Dividend reinvestment plans

None

7. Associates and joint ventures

None

8. Foreign entities

CMA Corporation Limited did not control any foreign entities during the half year period. Details of the acquisition of two New Zealand companies subsequent to year-end are disclosed in Note 6 of the accompanying financial report.

9. Audit or review status

This report is based on accounts which have been subject to review.

**CMA Corporation Limited – ABN 40 113 329 016
and Controlled Entities**

DIRECTORS' REPORT

Your directors submit the financial report of the economic entity for the half year ended 31 December 2005.

Directors

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

Alan Good	Chairman – Independent Non-Executive	
Peter Hatfull	Managing Director	
Paul Adams	Director – Executive	
Johnny Tung Hui Chung	Director – Executive	
Joseph Tong Hong Chung	Director – Non-Executive	
Rob Moltoni	Director – Non-Executive	
Kevin Adams	Director – Non-Executive	(resigned 3 January 2006)
John Crabb	Director – Independent Non-Executive	(appointed 3 January 2006)

Review of Operations

In the first six months of operation CMA Corporation Limited has achieved a number of significant milestones:

ASX Listing

The Company successfully listed on the Australian Stock Exchange in July 2005 and issued 22,500,000 shares to raise \$9 million.

Corporate Governance

The Company has moved toward its goal of having a majority of independent Directors by appointing Alan Good and John Crabb to the Board during the period. Kevin Adams stepped down from the Board on 3 January 2006. The new Directors bring a wealth of experience and knowledge to the Board.

Executive Structure

To effectively manage the faster than expected growth of the company, the senior management structure was revised. Mr Paul Adams, the prior Managing Director, moved into a business development role to capture the significant growth opportunities available, whilst Mr Peter Hatfull accepted the role of Managing Director. Three new divisional General Managers have been appointed to increase the level of professional management and experience in the company with one General Manager leaving the company and two moving into more advisory roles.

Acquisitions

The Company has acquired three new businesses since the start of the financial year. These acquisitions follow the Company's stated growth policies and complement and diversify existing metal trading operations. These companies were purchased for a mixture of cash and shares thereby increasing the Company's capital and shareholder base.

Dividend

The Company declared and paid a dividend of one cent per share in October 2005.

Corporate Office

A new corporate office has been established in the Sydney CBD.

Contracting Division

The contracting division has successfully completed a number of demolition and remediation contracts during the period.

Metal Trading Division

The metal trading division has successfully integrated the three new acquisitions into its core business, which has resulted in operations spreading to New Zealand and the Northern Territory.

**CMA Corporation Limited – ABN 40 113 329 016
and Controlled Entities**

DIRECTORS' REPORT

Adoption of Australian Equivalents to IFRS

This interim financial report has been prepared under Australian equivalents to IFRS (AIFRS). CMA Corporation Limited prepared its first full financial report under AIFRS for the period ended 30 June 2005; consequently this period falls within the Company's second year applying AIFRS reporting, and thus no further disclosures have been included in this report regarding the impact of transition.

Events After Balance Sheet Date

Subsequent to the end of the reporting period, the economic entity acquired 100% of the issued share capital of Scrap Metal Recyclers Limited and Scrap Metal Recyclers (Waikato) Limited. Further details of the acquisition are provided in Note 6.

Rounding of Amounts

The amounts contained in the half year financial report have been rounded to the nearest \$1,000 (where rounding is applicable) under the option available to the company under ASIC Class Order 98/0100. The company is an entity to which the Class Order applies.

Auditor's Declaration

The independence declaration obtained from our auditors, PKF, is set out on page 3.

This report is signed in accordance with a resolution of the Board of Directors.



Peter Hatfull
Managing Director

27 February 2006



Chartered Accountants
& Business Advisers

Auditor's Independence Declaration

To the Directors of CMA Corporation Limited:

I declare that, to the best of my knowledge and belief, during the half-year ended 31 December 2005, 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.

PKF
Chartered Accountants
Sydney, 27 February 2006

Arthur Milner
Partner

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Liability limited by a scheme approved under Professional Standards Legislation

**CMA Corporation Limited – ABN 40 113 329 016
and Controlled Entities**

CONSOLIDATED INCOME STATEMENT FOR THE HALF YEAR ENDED 31 DECEMBER 2005

	2005 \$000
Revenue	36,901
Other income	470
COGS	(23,548)
Employee benefits expense	(8,087)
Rental and hire expense	(1,430)
Depreciation and amortisation expense	(1,231)
Other expenses	(2,228)
Finance costs	(502)
Profit before income tax	345
Income tax expense	(71)
Profit from continuing operations for the period	274
Profit attributable to members of the parent entity	274
 Overall Operations:	
Basic earnings per share (cents per share)	0.2
Diluted earnings per share (cents per share)	0.2

The accompanying notes form part of these financial statements.

**CMA Corporation Limited – ABN 40 113 329 016
and Controlled Entities**

**CONSOLIDATED BALANCE SHEET
AS AT 31 DECEMBER 2005**

	31 December 2005 \$000	30 June 2005 \$000
ASSETS		
CURRENT ASSETS		
Cash and cash equivalents	2,696	2,188
Trade and other receivables	11,211	11,112
Inventories	15,969	10,152
Other current assets	4,790	225
TOTAL CURRENT ASSETS	34,666	23,677
NON-CURRENT ASSETS		
Property, plant and equipment	18,195	13,827
Deferred tax assets	284	151
Intangible assets	19,987	16,469
TOTAL NON-CURRENT ASSETS	38,466	30,447
TOTAL ASSETS	73,132	54,124
LIABILITIES		
CURRENT LIABILITIES		
Trade and other payables	9,585	8,394
Short-term borrowings	4,577	6,668
Current tax liabilities	1,187	1,917
Short-term provisions	421	349
TOTAL CURRENT LIABILITIES	15,770	17,328
NON-CURRENT LIABILITIES		
Long-term borrowings	19,064	8,299
Deferred tax liabilities	759	768
Long-term provisions	202	18
TOTAL NON-CURRENT LIABILITIES	20,026	9,085
TOTAL LIABILITIES	35,796	26,413
NET ASSETS	37,336	27,711
EQUITY		
Issued capital	35,341	24,705
Retained earnings	1,995	3,006
Parent entity interest	37,336	27,711
TOTAL EQUITY	37,336	27,711

The accompanying notes form part of these financial statements.

**CMA Corporation Limited – ABN 40 113 329 016
and Controlled Entities**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 31 DECEMBER 2005

	Ordinary Share Capital	Retained Earnings	Total
	\$000	\$000	\$000
Balance at 1 July 2005	24,705	3,006	27,711
Shares issued during the half year	11,752		11,752
Costs associated with shares issued during the half year	(1,116)		(1,116)
Profit attributable to members of parent entity		274	274
Sub-total	35,341	3,280	38,621
Dividends paid or provided for		(1,285)	(1,285)
Balance at 31 December 2005	35,341	1,995	37,336

**CMA Corporation Limited – ABN 40 113 329 016
and Controlled Entities**

CONSOLIDATED CASH FLOW STATEMENT FOR THE HALF YEAR ENDED 31 DECEMBER 2005
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	2005 \$000
CASH FLOWS FROM OPERATING ACTIVITIES	
Receipts from customers	39,930
Payments to suppliers and employees	(46,947)
Interest received	63
Finance costs	(502)
Income tax paid	(943)
Net cash provided by / (used in) operating activities	<u>(8,399)</u>
CASH FLOWS FROM INVESTING ACTIVITIES	
Proceeds from sale of non-current assets	250
Purchase of non-current assets	(4,787)
Outlays in respect of acquisition of businesses	(4,580)
Net cash provided by / (used in) investing activities	<u>(9,117)</u>
CASH FLOWS FROM FINANCING ACTIVITIES	
Proceeds from issue of shares	11,752
Outlays in respect of share issue	(1,116)
Proceeds from borrowings	14,686
Repayment of borrowings	(6,013)
Dividends paid	(1,285)
Net cash provided by (used in) financing activities	<u>18,024</u>
 Net increase in cash held	 508
Cash at beginning of the financial period	<u>2,188</u>
Cash at end of the financial period	<u>2,696</u>

**CMA Corporation Limited – ABN 40 113 329 016
and Controlled Entities**

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2005

NOTE 1: BASIS OF PREPARATION OF THE HALF YEAR FINANCIAL REPORT

The half year financial report does not include all notes of the type normally included within the annual financial report and therefore cannot be expected to provide as full an understanding of the financial performance, financial position and financing and investing activities of the consolidated entity as the full financial report.

The half year financial report should be read in conjunction with the annual financial report of CMA Corporation Limited as at 30 June 2005, which was prepared based on Australian equivalents to International Financial Reporting Standards (AIFRS).

It is also recommended that the half year financial report be considered together with any public announcements made by CMA Corporation Limited and its controlled entities during the half year ended 31 December 2005 in accordance with the continuous disclosure obligations arising under the *Corporations Act 2001*.

(a) Basis of accounting

The half year financial report is a general-purpose financial report, which has been prepared in accordance with the requirements of the *Corporations Act 2001*, applicable Accounting Standards including AASB 134 "Interim Financial Reporting" and other mandatory professional reporting requirements.

The half year financial report has been prepared on a historical cost basis, modified when applicable by the revaluation of selected non-current assets, financial assets and financial liabilities or which the fair value basis of accounting has been applied.

For the purpose of preparing the half year financial report, the half year has been treated as a discrete reporting period.

There have not been any changes in accounting policies, estimation methods or measurement bases since the 30 June 2005 annual financial report.

(b) Comparative figures

Please note that as the economic entity came into existence on 10 March 2005, which is less than 12 months before the reporting date, there is not an applicable previous corresponding period to the half year ended 31 December 2005.

**Economic Entity
31 December 2005
\$000**

NOTE 2: PROFIT FROM ORDINARY ACTIVITIES

The following revenue and expense items are relevant in explaining the financial performance for the interim period:

Operating activities

Sale of goods and services	20,160
Contract revenue	16,741
Total revenues from operating activities	36,901

Non-operating activities

Interest received from other persons	63
Other revenue	541
Loss on disposal of property, plant and equipment	(134)
Total revenues from non-operating activities	470
Total revenues from ordinary activities	37,371

**CMA Corporation Limited – ABN 40 113 329 016
and Controlled Entities**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2005**

**Economic Entity
31 December 2005
\$000**

NOTE 3: DIVIDENDS PAID AND PROPOSED

Equity dividends on ordinary shares:

(a) Dividends paid during the half year

Final fully franked dividend for financial year 30 June 2005 1,285

(b) The directors have not proposed an interim dividend as at the date of this report

**31 December 2005
\$000** **30 June 2005
\$000**

NOTE 4: ISSUED CAPITAL

Ordinary shares:

Issued and fully paid 36,457 24,705

000 **\$000**

Movements in ordinary shares on issue:

At 1 July 2005 106,000 24,705

Issued on 8 July 2005 upon the listing of the Company on the ASX 22,500 9,000

Issued on 21 November 2005 as partial payment for the acquisition
of Riverside Metal Industries 3,876 2,752

132,376 36,457

NOTE 5: SEGMENT REPORTING

Business Segments

The following table presents the revenue and profit information regarding business segments for the half year period ended 31 December 2005:

	Contracting \$000	Metals Trading \$000	Eliminations \$000	Economic Entity \$000
Revenue				
Segment revenue	24,190	22,112	(9,057)	37,245
Unallocated revenue				<u>126</u>
Total revenue from ordinary activities				<u>37,371</u>
Result				
Segment result	2,633	395		3,028
Unallocated expenses net of unallocated revenue				(2,181)
Borrowing costs				<u>(502)</u>
Profit before income tax				345
Income tax expense				<u>(71)</u>
Profit after income tax				<u>274</u>

**CMA Corporation Limited – ABN 40 113 329 016
and Controlled Entities**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2005**

NOTE 6: CHANGE IN COMPOSITION OF ENTITY

Acquisition of business from GWR Contracting Pty Limited trading as NT Metal Recyclers

On 12 September 2005, T & T Metal Trading Pty Limited, a wholly owned subsidiary of CMA Corporation Limited, acquired certain of the assets of GWR Contracting Pty Limited, a private metals trading company located in the Northern Territory.

In connection with the business combination, T & T Metal Trading Pty Limited made a cash payment of \$2,100,000.

From the date of acquisition, the business acquired from GWR Contracting Pty Limited has contributed \$18,000 to the net profit of the group. The consolidated net profit and consolidated revenues that would have resulted had the acquisition been made on 1 July 2005 have not been disclosed as their estimation is unreliable due to the impact of certain expenses of a private company nature during the period prior to acquisition.

The fair values of the identifiable assets acquired from GWR Contracting Pty Limited as at the date of acquisition are:

	\$000
Inventory	138
Property, plant and equipment	1,432
Total net assets acquired	1,570
Goodwill arising on acquisition	636
Total	2,206

The assets arising from the acquisition are recognised at fair values which are equal to their carrying value at acquisition date.

Consideration	
Cash	2,100
Costs associated with the acquisition	106
Total consideration	2,206

**CMA Corporation Limited – ABN 40 113 329 016
and Controlled Entities**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2005**

NOTE 6: CHANGE IN COMPOSITION OF ENTITY (continued)

Acquisition of business from Riverside Metal Industries Pty Limited

On 21 November 2005, T & T Metal Trading Pty Limited, a wholly owned subsidiary of CMA Corporation Limited, acquired certain of the assets of Riverside Metal Industries Pty Limited. Riverside Metal Industries is a metals trading business located in Sydney, and also manufactures metal ingots.

In connection with the business combination, T & T Metal Trading Pty Limited has paid \$4752,000, comprising 3,875,969 issued ordinary shares in CMA Corporation Limited with a fair value of 71 cents each, and a cash payment of \$2,000,000. A further cash payment of \$500,000 is payable prior to the end of the financial year. The fair value of shares issued reflects the share price on the date of the acquisition.

From the date of acquisition, the business acquired from Riverside Metal Industries Pty Limited has contributed \$41,000 to the net profit of the group. The consolidated net profit and consolidated revenues that would have resulted had the acquisition been made on 1 July 2005 have not been disclosed as their estimation is unreliable due to the impact of certain expenses of a private company nature during the period prior to acquisition.

The fair values of the identifiable assets and liabilities acquired from Riverside Metal Industries Pty Limited as at the date of acquisition are:

	\$000
Receivable from vendor	128
Future income tax benefit	55
Employee entitlements	(183)
Property, plant and equipment	2,739
Total net assets acquired	2,739
Goodwill arising on acquisition	2,888
Total	5,627

The assets and liabilities arising from the acquisition are recognised at fair values which are equal to their carrying value at acquisition date.

Consideration	
Ordinary shares issued	2,752
Cash	2,000
Deferred cash consideration	500
Costs associated with the acquisition	375
Total consideration	5,627

**CMA Corporation Limited – ABN 40 113 329 016
and Controlled Entities**

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE HALF YEAR ENDED 31 DECEMBER 2005**

NOTE 6: CHANGE IN COMPOSITION OF ENTITY (continued)

Acquisition of Scrap Metal Recyclers Limited and Scrap Metal Recyclers (Waikato) Limited

On 1 January 2006, CMA Corporation Limited acquired 100% of the voting shares of Scrap Metal Recyclers Limited and Scrap Metal Recyclers (Waikato) Limited. Scrap Metal Recyclers Limited and Scrap Metal Recyclers (Waikato) Limited are metals trading businesses located in New Zealand.

In connection with the business combination, CMA Corporation Limited has paid \$10.96 million, comprising 10,078,676 issued ordinary shares in CMA Corporation Limited with a fair value of 68 cents each, and a cash payment of \$4.11 million. In addition, the vendors of Scrap Metal Recyclers Limited and Scrap Metal Recyclers (Waikato) Limited will receive additional consideration up to \$2.74 million, if the financial performance of the New Zealand business in the twelve month period ended June 2007 exceeds a trigger of \$2.2 million net profit after tax. The fair value of shares issued reflects the share price on the date of the acquisition.

The acquisition was made subsequent to the end of the reporting period, and thus has not made any contribution to net profit for the half year ended 31 December 2005. The consolidated net profit and consolidated revenues that would have resulted had the acquisition been made on 1 July 2005 have not been disclosed as their estimation is unreliable due to the impact of certain expenses of a private company nature during the period prior to acquisition.

The fair values of the identifiable assets and liabilities of Scrap Metal Recyclers Limited and Scrap Metal Recyclers (Waikato) Limited as at the date of acquisition are:

Cash and cash equivalents	184
Receivables	4,152
Inventories	355
Property, plant and equipment	4,884
Other assets	48
Payables and accruals	(725)
Tax liabilities	(15)
Current borrowings	(4,174)
Fair value of net assets	4,709
Goodwill arising on acquisition	6,358
Total	11,067

The assets and liabilities arising from the acquisition are recognised at fair values which are equal to their carrying value at acquisition date.

Consideration	
Ordinary shares issued	6,854
Cash	4,110
Costs associated with the acquisition	103
Total consideration	11,067

The cash outflow on acquisition is as follows:

Net cash acquired with subsidiary	184
Cash paid	(4,213)
Net cash outflow	(4,029)

**CMA Corporation Limited – ABN 40 113 329 016
and Controlled Entities**

NOTES TO THE FINANCIAL STATEMENTS FOR THE HALF YEAR ENDED 31 DECEMBER 2005

**31 December 2005
\$000**

NOTE 7: CONTINGENT LIABILITIES

Estimates of the potential effect of contingent liabilities that may become payable:

Third party guarantees provided by the economic entity

The economic entity has provided guarantees to third parties in relation to the performance and obligations of entities in the group with respect to banking facilities, approved deeds and contracts, and property lease rentals. The guarantees are for the terms of the facilities, deeds and contracts and leases. The periods covered by the guarantees range from one to approximately three years.

4,597

Additional payment for subsidiaries acquired

Further payment to the vendors of Scrap Metal Recyclers Limited and Scrap Metal Recyclers (Waikato) Limited of up to \$2.74 million will be required, if the combined financial performance of these companies in the twelve month period ended June 2007 exceeds a trigger of \$2.2 million net profit after tax.

NOTE 8: EVENTS SUBSEQUENT TO REPORTING DATE

After reporting date, the economic entity acquired 100% of the issued share capital of Scrap Metal Recyclers Limited and Scrap Metal Recyclers (Waikato) Limited. Further details of the acquisition are provided in Note 6.

**CMA Corporation Limited – ABN 40 113 329 016
and Controlled Entities**

DIRECTORS' DECLARATION

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 1 to 13:
 - a. comply with Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations; and
 - b. give a true and fair view of the economic entity's financial position as at 31 December 2005 and of its performance for the half year ended on that date.
2. 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.

This declaration is made in accordance with a resolution of the Board of Directors.



Peter Hatfull
Managing Director

27 February 2006



Chartered Accountants
& Business Advisers

**Independent Review Report
to the Members of CMA Corporation Limited**

Scope

We have reviewed the financial report of CMA Corporation Limited for the half-year ended 31 December 2005 as set out on pages 4 to 14. The financial report includes the consolidated financial statements of the consolidated entity comprising CMA Corporation Limited (the company) and the entities it controlled at the end of the half-year or from time to time during the half-year. The company's directors are responsible for the financial report. We have performed an independent review of the financial report in order to state whether, on the basis of the procedures described, anything has come to our attention that would indicate that the financial report is not presented fairly in accordance with Accounting Standard AASB 134 "Interim Financial Reporting" and other mandatory professional reporting requirements in Australia and statutory requirements so as to present a view which is consistent with our understanding of the consolidated entity's financial position, and performance as represented by the results of its operations and its cash flows, and in order for the company to lodge the financial report with the Australian Securities and Investments Commission.

Our review has been conducted in accordance with Australian Auditing Standards applicable to review engagements. A review is limited primarily to inquiries of the company's personnel and analytical procedures applied to the financial data. These procedures do not provide all the evidence that would be required in an audit, thus the level of assurance provided is less than given in an audit. We have not performed an audit and, accordingly, we do not express an audit opinion.

Independence

In conducting our review, we followed applicable independence requirements of Australian professional ethical pronouncements and the Corporations Act 2001.

Statement

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 CMA Corporation Limited is not in accordance with:

- (a) the Corporations Act 2001, including:
 - i) giving a true and fair view of the consolidated entity's financial position as at 31 December 2005; and
 - ii) complying with Accounting Standard AASB 134 "Interim Financial Reporting" and the Corporations Regulations 2001; and
- (b) other mandatory professional reporting requirements in Australia.

**PKF
Chartered Accountants**

**Arthur Milner
Partner**

Sydney, 27 February 2006

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