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BigAir Group Limited

ABN 57 098 572 626

Interim financial report

for the half-year ended 31 December 2009

BigAir Group Limited and Controlled Entities
Interim financial report
(ABN 57 098 572 626)

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BigAir Group Limited and Controlled Entities
Interim financial report

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Results for announcement to market

Current reporting period – half year ended 31 December 2009

Previous reporting period – half year ended 31 December 2008

Results				**A$**
Revenues from ordinary activities	Down	9%	To	3,366,793
EBITDA	Up	68%	To	1,448,745
Profit after tax attributable to members	Up	122%	To	625,000
Net profit for the period attributable to members	Up	122%	To	625,000

Dividends (distributions)	Amount per security	Franked amount per security
Current period		
Interim dividend declared	0.0 ¢	0.0 %
Final dividend paid	0.0 ¢	0.0 %
Previous corresponding period		
Interim dividend declared	0.0 ¢	0.0 %
Final dividend paid	0.0 ¢	0.0 %

Record date for determining entitlements to the dividend.	N/A
The last date(s) for receipt of election notices for the dividend or distribution plans	N/A

Brief explanation of revenue, net profit and dividends (distributions).

See the review of operations in the directors' report included in the financial statements.

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Other information required to be given to ASX under listing rule 4.3A

1. Net tangible assets per security

	Current period	Previous corresponding Period (31 December 2008)
Net tangible assets per security (cents)	5.0 cents	3.1 cents

2. Details of entities over which control has been gained or lost during the period

No control was gained or lost over any entities during the period.

3. Details of dividend payments

No dividends have been paid during the period.

4. Dividend re-investment plan

No dividend re-investment plan is in operation.

5. Associates or joint ventures

The Group had no associates or joint ventures during or at the end of the period.

6. Audit/review

The financial statements are not subject to review dispute or qualification.

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Directors' report

The directors of BigAir Group Limited and its subsidiary ("the Group") submit herewith the financial report for the half-year ended 31 December 2009.

Directors

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

- Paul Tyler
- Vivian Stewart
- Jason Ashton
- Nigel Jeffries
- Patrick Choi

The above named directors held office of the company during and since the end of the half-year.

Review of operations

The directors of BigAir Group Limited are pleased to announce another strong half year performance despite the challenging macroeconomic environment. The Group continues to aggressively expand its own fixed wireless networks and its focus on organic revenue growth helped achieve record EBITDA profit for the half year ended 31st December 2009 of $1,448,745 an increase of $586,127 or 68% versus EBITDA of $862,618 recorded in the previous corresponding half year period.

In addition the Group achieved a pre tax profit of $865,210 for the half year period, an improvement of $449,112 or 108% versus the previous corresponding half year period.

The Group also achieved a net positive cash flow from operations of $1,206,921 and has finished the half year with $2,101,255 in cash and no debt. The Group is continuing to leverage its positive cash flow by continued expansion of its network nationally and through further development of its sales and marketing channels.

The strong operating cash flows supported $1,021,530 of new capital investment into the network in the six month period. An additional $130,511 was invested into intangible assets, for a total investment of $1,152,041 for the period.

These investments helped contribute to an improved growth rate of 40% in "on-net" revenues for the half year versus the previous period. A full summary of the improving financial results is included in the table on the next page.

Directors' report (cont'd)

			Half-year ended 31-Dec-09 $	Half-year ended 31-Dec-08 $	Movement $
Fixed "On-net" Revenue	↑	**40%**	**3,295,048**	2,360,502	934,546
Mobile "Off-net Revenue	↓	-95%	71,745	1,322,788	(1,251,043)
Total Revenue	↓	-9%	3,366,793	3,683,290	(316,497)
Cost of Sales	↓	-52%	702,319	1,474,564	(772,245)
Gross Profit	↑	**21%**	**2,664,474**	2,208,726	455,748
Gross Profit Margin (% Revenue)	↑	32%	79%	60%	19%
Other income	↑	140%	31,645	13,204	18,441
Operating Expenses	↓	-8%	1,247,374	1,359,312	(111,938)
EBITDA	↑	**68%**	**1,448,745**	862,618	586,127
EBITDA (as % Revenue)			43%	23%	
Net Profit Before Tax	↑	108%	**865,210**	416,098	449,112
Net Profit After Tax	↑	122%	**625,000**	281,670	343,330
NPAT (as % Revenue)	↑	143%	19%	8%	
Earnings per share	↑	118%	**0.7**	0.3	0.4
Net Tangible Assets per Share (cents)	↑	61%	**5.0**	3.1	1.9

The discontinuation of the "off-net" iBurst reseller business during the previous period has allowed the Group to complete the realignment of its business on its own "on-net" high-speed Fixed Wireless networks.

Business realignment and continued improvement in operating efficiency has resulted in a 52% reduction in Cost of Sales and an 8% reduction in Operating Expenses

Continued expansion of the higher margin "on-net" business, along with the closure of the iBurst business and further improvements in back office operational efficiencies has resulted in lower overall operating expenses despite an increased investment in Sales and Marketing resources.

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Directors' report (cont'd)

Operating Expenses Comparison			Half-year ended 31-Dec-09 $	Half-year ended 31-Dec-08 $	Movement $
Employee benefits expense	↑	9%	(847,848)	(777,111)	70,737
Sales and marketing expense	↑	11%	(127,774)	(115,614)	12,160
General administration expense	↓	-49%	(201,342)	(394,931)	(193,589)
Occupancy costs	↓	-2%	(70,410)	(71,656)	(1,246)
Total Operating Expenses	↓	-8%	(1,247,374)	(1,359,312)	(111,938)

Continued Network expansion and improvement in margin

Customer driven expansion has resulted in new network deployments in Perth, Adelaide and the Gold Coast during the last 12 months. BigAir is also continuing to improve its network coverage and capacity in New South Wales and Victoria. Several new sites have been deployed as at the end of 2009 in Melbourne including Tullamarine, Laverton and Mitcham. As at the beginning of 2010 the company has in excess of 60 base station sites across the 6 largest cities in Australia.

Fixed Wireless ("On-net") Division			Half-year ended 31-Dec-09 $	Half-year ended 31-Dec-08 $	Movement $
Fixed Wireless Revenue ("On-net")	↑	40%	3,295,048	2,360,502	934,546
Fixed Wireless Gross Profit $ ("On-net")	↑	32%	2,647,847	2,012,945	634,902
Fixed Wireless Gross Profit % ("On-net")			80%	85%	

Gross margin on Fixed Wireless revenues remains at 80% reflecting the benefits of having 100% ownership of critical last mile network infrastructure. Revenue from the "off-net" mobile division is no longer material since the closure of iBurst.

Strong Sales Growth and Diversifying Revenue Base

Benefiting from its truly national coverage the Company has achieved a 40% increase in "on-net" revenues with growing revenue contributions from its wholesale partners across the country. In particular we are experiencing strong growth from customers targeting the multi-site, higher bandwidth corporate customer segments. BigAir wireless data services are often used for disaster recovery and backup purposes, however increasingly they are being used as the primary data service displacing traditional wired services.

BigAir has made significant additional investment in sales infrastructure and has appointed a new National Sales Manager with more than 15 years experience in growing corporate sales at several Tier One carriers including Optus, Telstra and

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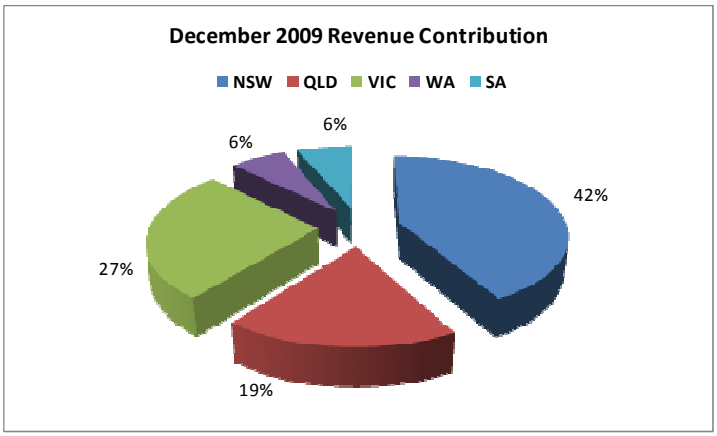
Directors' report (cont'd)

Soul. The Company has signed up several new channel partners as at the end of 2009 including CCNA and Buroserv, and is in active discussions with a number of new channel partners.

During the half year the geographic diversification of the revenue base continued with close to 60% of all new sales in December 2009 originating from outside New South Wales.



Financial Performance

Despite the loss of iBurst revenue ($1.5m in FY2009) and iBurst gross profit contribution ($0.5m in FY2009) the Group achieved record half year financial results in the half year ending 31 December 2009. Below are some of the key highlights:

- **Positive Net Operating** cash flow of **$1.2m** supported new Capital Investment of **$1.15m** whilst still delivering closing cash balance of **$2.1m**
- Achievement of **pre tax Profit** result for the half year of **$865k,** an improvement of **$449k** or **108%** versus the previous corresponding half year period
- Earnings per share reached **0.72 cents** which represents **118%** increase from previous corresponding half year period
- EBITDA growth of **68%** from half year 2009 to half year 2010 to **$1.45m**
- "On-net" fixed wireless revenue growth of **40%**

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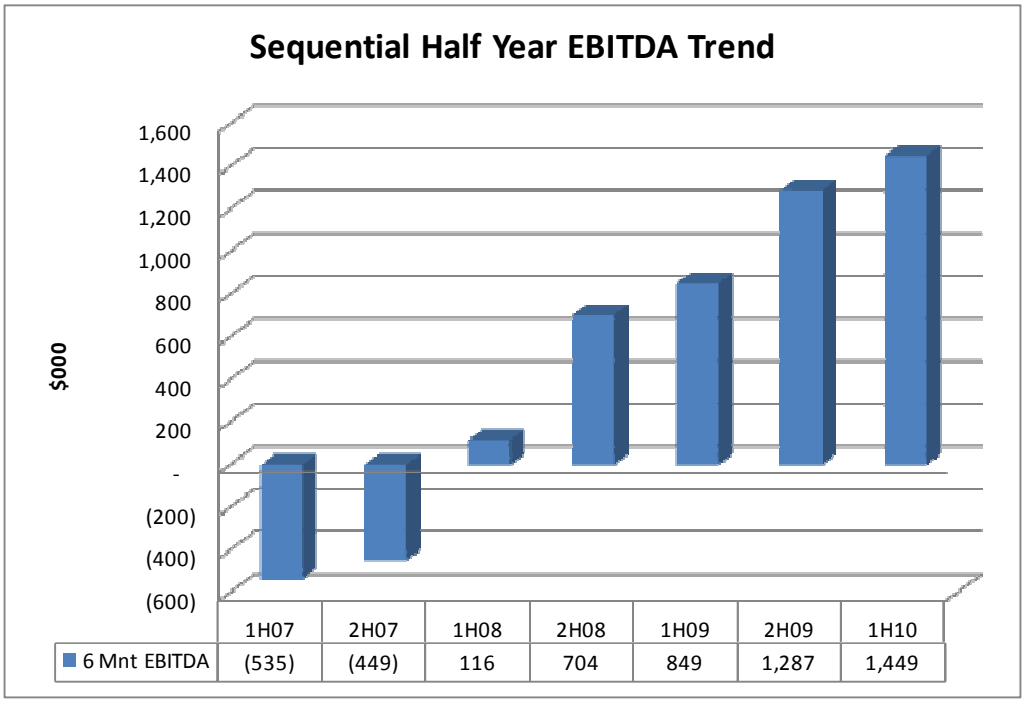
Directors' report (cont'd)



Business Outlook and Guidance

The Company is starting to reap the benefits of its aggressive multicity network rollout. These extensive infrastructure investments along with the recent increased investment in sales and marketing resources are expected to lift growth rates even further. The Company believes it is on track to deliver at the upper end of its guidance for full year EBITDA of $2.5m - $2.8m.

Auditor's independence declaration

The auditor's independence declaration is included on page 8 of the half-year financial report, and forms part of this report.

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

On behalf of the directors

Paul Tyler
Non-Executive Chairman
Director

Sydney, 15 February 2010

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Auditor's Independence Declaration
To The Directors of BigAir Group Limited

In accordance with the requirements of section 307C of the Corporations Act 2001, as lead auditor for the review of BigAir Group Limited for the half-year ended 31 December 2009, I declare that, to the best of my knowledge and belief, there have been:

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

b no contraventions of any applicable code of professional conduct in relation to the review.

Grant Thornton Audit Pty Ltd

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

Nicole Bradley
Director - Audit & Assurance Services

Sydney, 15 February 2010

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Independent Auditor's Review Report
To the Members of BigAir Group Limited

We have reviewed the accompanying half-year financial report of BigAir Group Limited ("Company"), which comprises the consolidated financial statements being the statement of financial position as at 31 December 2009, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the half-year ended on that date, a statement of accounting policies, other selected explanatory notes and the directors' declaration of the consolidated entity, comprising both the Company and the entities it controlled at the half-year's end or from time to time during the half-year.

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 consolidated half-year financial report based on our review. We conducted our review in accordance with Auditing Standard on Review Engagement 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 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 Accounting Standard AASB 134: Interim Financial Reporting and the Corporations Regulations 2001. As the auditor of BigAir Group Limited, ASRE 2410 requires that we comply with the ethical requirements relevant to the audit of the annual financial report.

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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 complied with the independence requirements of the Corporations Act 2001.

Electronic presentation of reviewed financial report

This auditor's review report relates to the financial report of BigAir Group Limited for the half-year ended 31 December 2009 included on BigAir Group Limited's web site. The Company's directors are responsible for the integrity of BigAir Group Limited's web site. We have not been engaged to report on the integrity of BigAir Group Limited's web site. The auditor's review report refers only to the statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the reviewed financial report to confirm the information included in the reviewed financial report presented on this web site.

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 BigAir Group Limited 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 2009 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.

Grant Thornton Audit Pty Ltd

GRANT THORNTON AUDIT PTY LTD
Chartered Accountants

Nicole Bradley
Director - Audit & Assurance Services

Sydney, 15 February 2010

Directors' declaration

The directors of the company declare that:

1. The financial statements and notes, as set out on pages 12 to 20, 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 2009 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.

Paul Tyler
Non-Executive Chairman
Director

Sydney, 15 February 2010

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Consolidated Statement of Comprehensive Income for the half-year ended 31 December 2009

	Consolidated	
	Half-Year Ended 31 December 2009 $	**Half-Year Ended 31 December 2008 $**
Revenue	3,366,793	3,683,290
Cost of sales	(702,319)	(1,474,564)
Gross profit	2,664,474	2,208,726
Other revenue	31,645	13,204
Employee benefits expense	(847,848)	(777,111)
Sales and marketing expense	(127,774)	(115,614)
General administration expense	(201,342)	(394,931)
Depreciation and amortisation expenses	(583,535)	(446,520)
Occupancy costs	(70,410)	(71,656)
Profit before income tax	865,210	416,098
Income tax expense	(240,210)	(134,428)
Profit for the period	625,000	281,670
Other comprehensive income	-	-
Total comprehensive income for the period	625,000	281,670
Earnings per Share:		
From continuing operations:		
Basic earnings per share (cents)	0.72	0.33
Diluted earnings per share (cents)	0.72	0.33

The consolidated statement of comprehensive income should be read in conjunction with the accompanying notes

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Consolidated Statement of Financial Position as at 31 December 2009

	Consolidated	
	31 December 2009 $	30 June 2009 $
Current Assets		
Cash and cash equivalents	2,101,255	2,046,375
Trade and other receivables	204,660	142,217
Inventories	2,245	2,455
Other current assets	51,960	12,744
Total Current Assets	2,360,120	2,203,791
Non-Current Assets		
Trade and other receivables	37,277	34,827
Property, plant and equipment	3,095,228	2,522,184
Deferred tax assets	1,381,149	1,621,358
Other intangible assets	168,951	128,733
Total Non-Current Assets	4,682,605	4,307,102
Total Assets	7,042,725	6,510,893
Current Liabilities		
Trade and other payables	967,776	1,131,189
Income received in advance	37,738	38,354
Short-term provisions	96,354	99,243
Total Current Liabilities	1,101,868	1,268,786
Non-Current Liabilities		
Long-term provisions	37,000	-
Total Non-Current Liabilities	37,000	-
Total Liabilities	1,138,868	1,268,786
Net Assets	5,903,857	5,242,107
Equity		
Issued capital	10,614,801	10,578,051
Reserves	161,237	161,237
Accumulated losses	(4,872,181)	(5,497,181)
Total Equity	5,903,857	5,242,107

The consolidated statement of financial position should be read in conjunction with the accompanying notes

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Consolidated Statement of Changes in Equity for the half-year ended 31 December 2009

	Issued Capital $	Employee equity-settled benefits $	Accumulated losses $	Total $
Balance at 1 July 2008	10,543,251	161,237	(6,510,839)	4,193,649
Total comprehensive income for the period	-	-	281,670	281,670
Subtotal	-	-	281,670	281,670
Shares issued to staff during the period	34,800	-	-	34,800
Balance at 31 December 2008	10,578,051	161,237	(6,229,169)	4,510,119
Balance at 1 July 2009	10,578,051	161,237	(5,497,181)	5,242,107
Total comprehensive income for the period	-	-	625,000	625,000
Subtotal	-	-	625,000	625,000
Shares issued to staff during the period	36,750	-	-	36,750
Balance at 31 December 2009	10,614,801	161,237	(4,872,181)	5,903,857

The consolidated statement of changes in equity should be read in conjunction with the accompanying notes

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Consolidated Statement of Cash Flows for the half-year ended 31 December 2009

	Consolidated	
	Half-year ended 31 December 2009 $	Half-year ended 31 December 2008 $
Cash flows from operating activities		
Receipts from customers	3,627,066	3,996,975
Payments to suppliers and employees	(2,449,126)	(3,139,378)
Interest received	28,982	13,204
Net cash provided by operating activities	1,206,921	870,801
Cash flows from investing activities		
Payments for intangible assets	(130,511)	(109,133)
Payments for plant and equipment	(1,021,530)	(497,041)
Net cash used in investing activities	(1,152,041)	(606,174)
Net increase in cash held	54,880	264,627
Cash and cash equivalents at the beginning of the half-year	2,046,375	1,662,245
Cash and cash equivalents at the end of the half-year	2,101,255	1,926,872

The consolidated statement of cash flows should be read in conjunction with the accompanying notes

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Notes to the financial statements for the half year ended 31 December 2009

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1. Basis of preparation

These general purpose financial statements for the interim half-year financial reporting period ended 31 December 2009 have been prepared in accordance with the requirements of the *Corporations Act 2001* and Australian Accounting Standards including AASB 134: Interim Financial Reporting. Compliance with Australian Accounting Standards ensures that the financial statements and notes also comply with International Financial Reporting Standards.

The interim financial report is intended to provide users with an update on the latest financial statements of BigAir Group Ltd 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 2009, 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 financial statements except for the adoption of the following new and revised standards.

Accounting Standards not previously applied

The Group 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.

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 reflected as equity movements in the Statement of Changes in Equity;
- the adoption of the single statement approach to the presentation of the Statement of Comprehensive Income;
- other financial statements are renamed in accordance with the Standard; and
- presentation of a third Statement of Financial Position as at the beginning of a comparative financial year where relevant amounts have been affected by a retrospective change in accounting policy or material reclassification of items.

Operating Segments

From 1 January 2009, operating segments are identified and segment information disclosed on the basis of internal reports that are regularly provided to, or reviewed by, the Group's chief operating decision maker which, for the Group, is the board of directors.

Notes to the financial statements for the half year ended 31 December 2009

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1. Basis of preparation (continued)

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.

As a result of the adoption of the revised AASB 8, no cash generating units have been redefined having regard to the requirements in AASB 136: Impairment of Assets.

Business Combinations and Consolidation Procedures

Revised AASB 3 is applicable prospectively from 1 July 2009. Changes introduced by this Standard, or as a consequence of amendments to other Standards relating to business combinations which are expected to affect the Group, include the following:

- All business combinations, including those involving entities under common control, are accounted for by applying the acquisition method which prohibits the recognition of contingent liabilities of the acquiree at acquisition date that do not meet the definition of a liability. Costs incurred that relate to the business combination are expensed instead of comprising part of the goodwill acquired on consolidation. Changes in the fair value of contingent consideration payable are not regarded as measurement period adjustments and are recognised through profit or loss unless the change relates to circumstances which existed at acquisition date.
- Unrecognised deferred tax assets of the acquiree may be subsequently realised within 12 months of acquisition date on the basis of facts and circumstances existing at acquisition date with a consequential reduction in goodwill. All other deferred tax assets subsequently recognised are accounted for through profit or loss.
- The proportionate interest in losses attributable to non-controlling interests is assigned to non-controlling interests irrespective of whether this results in a deficit balance. Previously, losses causing a deficit to non-controlling interests were allocated to the parent entity.
- Where control of a subsidiary is lost, the balance of the remaining investment account shall be remeasured to fair value at the date that control is lost.

There were no business combinations during the period.

Revenue Recognition

Dividends received from a subsidiary, joint venture or associate shall be recognised as dividend revenue in the profit or loss irrespective of whether such dividends may have been paid out of pre-acquisition profits. Previously, such dividends were treated as a return of capital invested. Such dividends may be an indicator of impairment where the carrying amount of the investment exceeds the consolidated net assets relating to that investment or where the dividend exceeds the total comprehensive income of the respective investee in the period the dividend is declared.

There were no dividends received from subsidiary during the period.

Notes to the financial statements for the half year ended 31 December 2009

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2. Operating segments

Identification of reportable segments

The group has identified its operating segments based on the internal reports that are reviewed and used by the board of directors (chief operating decision makers) in assessing performance and determining the allocation of resources.

The Group is managed primarily on the basis of product category and service offerings since the diversification of the Group's operations inherently have notably different risk profiles and performance assessment criteria. Operating segments are therefore determined on the same basis.

Reportable segments disclosed are based on aggregating operating segments where the segments are considered to have similar economic characteristics and are also similar with respect to the following:

- the products sold and/or services provided by the segment;
- the type or class of customer for the products or service;
- the distribution method; and
- external regulatory requirements.

Types of products and services by segment

(i) *Fixed wireless services*

Fixed wireless is the operation of wireless devices or systems used to connect two fixed locations with a radio or other wireless link, such as a laser bridge. Fixed wireless is part of a wireless LAN infrastructure.

(ii) Mobile wireless Services

Mobile wireless is the operation of wireless devices from a fixed location to a moving location, such as a cell phone, PDA or laptop

Basis of accounting for purposes of reporting by operating segments

Accounting policies adopted

Unless stated otherwise, all amounts reported to the Board of Directors as the chief decision maker with respect to operating segments are determined in accordance with accounting policies that are consistent to those adopted in the annual financial statements of the Group.

Inter-segment transactions

There are no inter-entity sales.

Notes to the financial statements for the half year ended 31 December 2009

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2. Operating segments (continued)

Corporate charges are allocated to reporting segments based on management's estimate of time taken to service the business segment or based on the minimum expense required to service the business unit as a stand-alone business. The Board of Directors believes this is representative of likely consumption of head office expenditure that should be used in assessing segment performance and cost recoveries.

Inter-segment loans payable and receivable are initially recognised at the consideration received net of transaction costs. No interest is charged on inter-segment loans.

Segment assets

Where an asset is used across multiple segments, the asset is allocated to the segment that receives the majority of economic value from the asset. In the majority of instances, segment assets are clearly identifiable on the basis of their nature and physical location.

Unless indicated otherwise in the segment assets note, investments in financial assets, deferred tax assets and intangible assets have not been allocated to operating segments.

Segment liabilities

Liabilities are allocated to segments where there is direct nexus between the incurrence of the liability and the operations of the segment. Borrowings and tax liabilities are generally considered to relate to the Group as a whole and are not allocated. Segment liabilities include trade and other payables and certain direct borrowings.

Unallocated items

The following items of revenue, expense, assets and liabilities are not allocated to operating segments as they are not considered part of the core operations of any segment:

- derivatives;
- net gains on disposal of available-for-sale investments;
- impairment of assets and other non-recurring items of revenue or expense;
- income tax expense;
- deferred tax assets and liabilities;
- intangible assets; and
- discontinuing operations.

Comparative information

This is the first reporting period in which AASB 8: Operating Segments has been adopted. Comparative information has been stated to conform to the requirements of the Standard

Notes to the financial statements for the half year ended 31 December 2009

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2. Operating segments (continued)

The following is an analysis of the revenue and results for the period, analysed by business segment, being the Group's basis of segmentation. All revenue is earned and all assets are located in Australia.

	Segment revenue Half-year ended		Segment result Half-year ended	
	31 Dec 2009 $	31 Dec 2008 $	31 Dec 2009 $	31 Dec 2008 $
Continuing operations				
Mobile wireless division	71,745	1,322,788	(96,518)	(227,782)
Fixed wireless division	3,295,048	2,360,502	1,417,052	1,271,062
	3,366,793	3,683,290	1,320,534	1,043,280
Interest	31,645	13,204	31,645	13,204
Head office costs	-	-	(486.965)	(640,386)
Consolidated revenue	3,398,438	3,696,494		
Profit / (Loss) before tax			865,210	416,098
Income tax (expense)/benefit			(240,210)	(134,428)
Net profit / (loss) for the period			625,000	281,670

All asset increases related to the fixed wireless division.

All liabilities relate to fixed wireless division except for $15,443 of trade creditors, which relate to the mobile wireless division.

3. Contingent liabilities

There has been no change in contingent liabilities since the end of the last annual reporting date.

4. Commitments

The business has a commitment to purchase infrastructure equipment in the next six months of $218,840 (as at 31 December 2008: $214,869).

5. Events subsequent to reporting date

There have been no material events subsequent to the reporting date.