Appendix 4D
Half yearly report

Name of Entity TEYS Limited

ACN 009 118 861

Financial Period Ended 31-December-2008

Previous Corresponding Reporting Period 31-December-2007

Results for Announcement to the Market

	6 months ended 31 December 2008	6 months ended 31 December 2007	Percentage increase /(decrease)
Revenue from ordinary activities	$4,621,466	$3,628,253	27%
Profit / (loss) from ordinary activities after tax attributable to members	($2,043,059)	($138,369)	-1377%

Dividends (distributions)	Amount per security	Franked amount per security
Final Dividend	Nil	Nil
Interim Dividend	Nil	Nil
Previous corresponding period	Nil	Nil
Record date for determining entitlements to the dividends (if any)	N/A	N/A

Earnings per share	6 months ended 31 December 2008	6 months ended 31 December 2007
Basic Earnings per Share	-0.03 cents	-0.01 cents
Diluted Earnings per Share	-0.03 cents	-0.01 cents

Brief explanation of any of the figures reported above necessary to enable the figures to be understood:

Teys Limited Acquired Teys Proprietary Limited (TPL) on 1 July 2008 via a share for share exchange, whereby TPL shareholders received 825 shares in Teys for every 1 share they held in TPL (the Acquisition). For the purpose of accounting for the Acquisition, TPL has been treated as the acquirer, since the TPL shareholders obtained 65% of the expanded share capital of Teys Limited as a result of the Acquisition. This is described as a reverse acquisition.

The half-yearly report is to be read in conjunction with the most recent annual financial report.

NTA Backing

	31 December 2008	30 June 2008
Net tangible asset backing per ordinary security	-0.02 cents	-0.02 cents

Other Significant Information Needed by an Investor to Make an Informed Assessment of the Entity's Financial Performance and Financial Position

The results for the half year ended 31 December 2008 comprise the results of TPL (the acquirer for accounting purposes), and its controlled entities from the date of acquisition of 1 July 2008. The results for the half year ended 31 December 2007 comprise those of TPL (the acquirer for accounting purposes) and its controlled entities for the period then ended, and do not include the results of Teys Limited. The balance sheet at 31 December 2008 is the consolidated balance sheet of the group at that date, and the balance sheet at 30 June 2008 is that of the TPL group as at that date, excluding Teys Limited. For further details refer to note 1b (ii).

Commentary on the Results for the Period

The results of segments that are significant to an understanding of the business as a whole.

Refer to Note 9 for the results of segments that are significant to an understanding of the business as a whole.

Control Gained Over Entities Having Material Effect

Refer to Note 5 for details of entities over which the Group has gained control in operation.

Loss of Control Gained Over Entities Having Material Effect

The Group did not lose control of any entities in the period.

Details of Associates and Joint Venture Entities

Refer to Note 8 for details of associates.

Audit/Review Status

This report is based on accounts to which one of the following applies:

This report has been subject to review.

Attachments Forming Part of Appendix 4D

The attached interim financial report forms part of this Appendix 4D

Signed By (Director)	
Michael John Teys	Director
Date	27-Feb-09

TEYS LIMITED
AND ITS CONTROLLED ENTITIES
ACN 009 118 861

INTERIM FINANCIAL REPORT
FOR THE HALF YEAR ENDED 31 DECEMBER 2008

TEYS LIMITED
AND ITS CONTROLLED ENTITIES
ACN 009 118 861

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TEYS Limited and Controlled Entities
Interim Financial Report for the period ended 31 December 2008

DIRECTORS' REPORT

Your directors present their report on TEYS Limited ("the Group") and its controlled entities for the half-year ended 31 December 2008.

Directors

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

Directors	Position	Appointment Date*	Resignation Date
Michael John Teys	Executive Director	26-Oct-07	-
Peter Hasting Warne	Non-Executive Director	26-Oct-07	-
Andrew Mark Donald Dyer	Non-Executive Director	28-Jul-08	-

* Date of appointment to Teys Limited

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

Review of Operations

The most significant event occurring during the period was the completion of the acquisition of the Teys Group of Companies on 1 July 2008, the completion of the $5,000,000 capital raising under the prospectus issued in June 2008 and reinstatement for trading on the ASX on 1 August 2008.

The financial result for the first half of the financial year has been disappointing and is mainly attributed to the economic conditions currently being experienced in Australia and around the world.

The loss of the Group for the financial year after providing for income tax and minority interest amounted to **($2,043,059)** (2007:$138,369)

As previously advised the Australian and global financial markets have been experiencing the most difficult conditions many decades and Teys Limited has not been immune from these market conditions particularly in the funds management business and the acquisition of new businesses.

As reported at the Annual General Meeting on 17 November 2008, the key strategy of the Group is to grow through organic growth and acquisition and increasing the property funds management business. To date no new suitable large strata management acquisitions have been identified and the property funds management business remains subdued.

The focus over the past three months has been on reviewing the Group's operations to ensure that it is in position to achieve at least a break even profit to the year, although this may not be achievable.

The Group has completed a restructure of the business to size it to its current portfolio of business rather than the growth that had been anticipated. Management's aim at present is to conserve cash and reduce expenses to a level required to maintain the existing business and servicing existing clients.

During the period five strata management acquisitions were completed and have been integrated into the business. These acquisitions which added an additional 12,150 lots, taking the total number of strata lots under management to over 27,000 were:

• Sam Pennisi Proprietary Limited, a strata business located in Essendon, Victoria with 1,820 lots under management. The acquisition price was $422,054.

• Sinaus Proprietary Limited, a strata business located in Cleveland, Queensland with approximately 3,000 lots under management. The acquisitions price was $1,053,504.

• Albury Proprietary Limited, a strata business located in Albury/Wodonga with approximately 2,000 lots under management. The acquisition price was $625,000.

DIRECTORS' REPORT (Cntd)

• RE Appleby Proprietary Limited, a strata management business located in Bayswater, Melbourne with approximately 3,730 lots under management. The acquisition price was $1,250,000.
• A portfolio of strata lots trading as The Strata Centre located in Como, Perth currently managed by the Jones Ballard Property Group with approximately 1,600 lots under management. The acquisition price was $400,000

These acquisitions were funded from cash reserves, funds raised in the capital raising and funding facilities provided by the Group's banker.

The Group continue to enjoy the support of it's primarily banker with whom it is in regular contact. The Group meets compliance with all of its lending covenants and fully expects ongoing support from its banker.

In November 2008, the Company completed a loyalty options rights issue to shareholders which was a commitment made to shareholders in the public offer in June 2008. The offer was for one option for every two shares held with the options being exercisable at 20 cents expiring on 31 May 2011. The options were issued at a price of $0.005 each. This offer was well supported with 69% of shareholder taking up their rights. The shortfall was allocated to interests associated with the Directors. The total amount raised was approximately $220,696. In total 44,138,519 options were issued and are quoted on the ASX.

The Group is currently defending three outstanding litigation claims as following:

• A claim brought against one of its subsidiaries by a former employee, claiming an unliquidated amount of damages for alleged contractual breaches during her employment. A cross-claim has been filed by the subsidiary in response to this claim. As the status of the claim is unliquidated, it is difficult to give an accurate quantification. This claim is described in the prospectus issued in June 2008.

• As disclosed in the prospectus in June 2008, a subsidiary of the Group, Teys Property Funds Limited, is currently defending a claim by an investor of a fund managed by one of its subsidiaries, claiming a sum of $1,033,342 as damages for alleged contravention of the Trade Practices Act 1974 and the Fair Trading Act 1987.

• In November 2008, the contracts of two senior employees were terminated. The Company sought and followed legal advice prior to terminating the employees. Statements of claim from two senior employees were issued in January 2009 who are seeking a total of $2,100,000 in respect of termination of their employment. The matter has been referred to its legal advisers and will be defended.

In addition the Group has received letters of demand from RFA Group (companies previously managed by a subsidiary of the Group, Teys Property Funds Limited) which relate to the management of RFA and its activities. The total of the demands is for approximately $3,584,500. The board of RFA Group of companies, comprises a majority of directors who are former employees of the company and are in dispute with the company about the termination of their employment. The Company has referred the matter to its legal advisers and is currently defending the matter.

The Group is not expecting any financial impact that will materially effect the financial statements as of 31 December 2008 from these outstanding matters.

Events Subsequent to Reporting Date

On 5 Feb 2009, the Group advised that the planned acquisition to purchase of portfolio of strata lots trading as Body Corporate Choice Proprietary Limited located in Palm Beach, Queensland would not proceed following completion of due diligence process.

DIRECTORS' REPORT (Cntd)

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.

Signed in accordance with a resolution of the Board of Directors.

....
Michael John Teys
Director

Dated in Sydney, this 27th day of February 2009

PKF

Chartered Accountants
& Business Advisers

Auditor's Independence Declaration

As lead auditor for the review of TEYS Limited for the half year ended 31 December 2008, 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.

This declaration is in respect of TEYS Limited and the entities it controlled during the half year.

PKF

PKF

Tony Rose
Partner
Sydney, 27 February 2009

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CONSOLIDATED INCOME STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

	Note	Consolidated Entity 6 months ended 31 December 2008 $	Consolidated Entity 6 months ended 31 December 2007 $
Revenue from continuing operations	2	4,621,466	3,628,253
Other revenue	2	56,101	2,040
Employee benefit expense		(3,459,264)	(2,428,529)
Administration expenses		(1,894,726)	(825,951)
Marketing expenses		(106,146)	(35,665)
Occupancy costs		(350,055)	(243,860)
Depreciation and amortisation		(131,112)	(41,287)
Finance costs	3	(449,984)	(267,525)
Shareholder and share registry costs		(126,141)	-
Impairment charge	8	(179,760)	-
Other expenses from ordinary activities		(40,836)	-
Share of net profits of associates	9	85,895	25,628
Loss from ordinary activities before income tax		(1,974,561)	(186,896)
Income tax (expense)/benefit		-	69,748
Loss from continuing activities after income tax		(1,974,561)	(117,148)
Profit attributable to minority interest		68,498	21,221
Loss attributable to members of the parent entity		(2,043,059)	(138,369)
Earnings per share for loss from continuing operation		**cents per share**	**cents per share**
Basic Earnings per Share		(0.03)	(0.01)
Diluted Earnings per Share *		(0.03)	(0.01)

The above Consolidated Income Statements should to be read in conjunction with the accompanying notes.

CONSOLIDATED BALANCE SHEETS
AS AT 31 DECEMBER 2008

		Consolidated Entity	
		As at 31 December 2008	As at 30 June 2008
	Note	$	$
CURRENT ASSETS			
Cash and cash equivalents	4	622,123	358,881
Trade and other receivables		757,956	2,552,689
Other current assets		304,176	943,591
TOTAL CURRENT ASSETS		1,684,255	3,855,161
NON-CURRENT ASSETS			
Investments accounted for using the equity method	9	273,142	254,340
Development property	8	1,500,000	1,616,959
Plant & equipment		764,021	548,044
Deferred tax assets		555,492	555,492
Intangibles	7	927,948	451,614
Goodwill	7	9,926,035	4,562,645
TOTAL NON-CURRENT ASSETS		13,946,638	7,989,094
TOTAL ASSETS		15,630,893	11,844,255
CURRENT LIABILITIES			
Trade and other payables		2,072,381	3,051,338
Financial liabilities	11	1,726,632	2,191,937
Current tax liabilities		108,225	68,306
Provisions		332,354	241,827
TOTAL CURRENT LIABILITIES		4,239,592	5,553,408
NON-CURRENT LIABILITIES			
Financial liabilities	11	7,156,323	7,791,798
Provisions		68,875	67,023
TOTAL NON-CURRENT LIABILITIES		7,225,198	7,858,821
TOTAL LIABILITIES		11,464,790	13,412,229
NET ASSETS		4,166,103	(1,567,974)
EQUITY			
Contributed equity	6	8,534,233	900,005
Share based payment reserve		98,900	-
Accumulated losses		(4,367,959)	(2,324,900)
Parent interest		4,265,174	(1,424,895)
Minority equity interest		(99,071)	(143,079)
TOTAL EQUITY		4,166,103	(1,567,974)

The above Balance Sheets should be read in conjunction with the accompanying notes.

TEYS LIMITED
AND ITS CONTROLLED ENTITIES
ACN 009 118 861

STATEMENTS OF CHANGES IN EQUITY
FOR THE HALF YEAR ENDED 31 DECEMBER 2008

	SHARE CAPITAL						
	Ordinary Shares $	**Convertible Preference Shares $**	**Accummulated Losses $**	**Loyalty Options $**	**Shared-based payment reserve $**	**Minority Equity Interest $**	**Total $**
CONSOLIDATED GROUP							
Balance at 1 July 2007	500,000	400,005	(1,815,161)			(96,380)	(1,011,536)
Profit / (Loss) for the period	-	-	(138,369)			21,221	(117,148)
Total recognised income and expense for the period	500,000	400,005	(1,953,530)	-	-	(75,159)	- (1,128,684)
Dividends paid	-	-	-			(50,000)	(50,000)
Balance at 31 December 2007	500,000	400,005	(1,953,530)	-	-	(125,159)	(1,178,684)
Balance at 1 July 2008	500,000	400,005	(2,324,900)	-	-	(143,079)	(1,567,974)
Profit / (Loss) for the period			(2,043,059)			68,498	(1,974,561)
Total recognised income and expense for the period	500,000	400,005	(4,367,959)	-	-	(74,581)	(3,542,535)
Dividends paid						(24,490)	(24,490)
Shares issued capital raising	5,000,000			220,696			5,220,696
Shares issued on acquisition of Teys Proprietary Ltd	3,337,000						3,337,000
Shared based payment					98,900		98,900
Capital raising cost	(923,468)						(923,468)
							-
Balance at 31 December 2008	7,913,532	400,005	(4,367,959)	220,696	98,900	(99,071)	4,166,103

CONSOLIDATED CASH FLOW STATEMENTS
FOR THE HALF-YEAR ENDED 31 DECEMBER 2008

	Note	Consolidated Entity 6 months ended 31 December 2008 $	Consolidated Entity 6 months ended 31 December 2007 $
Cash flows from operating activities			
Receipts from customers		5,897,371	3,636,628
Payments to suppliers and employees		(5,922,808)	(3,319,272)
Interest received		12,089	2,040
Dividends received		67,093	-
Finance costs		(408,551)	(237,279)
Net cash provided by/(used in) operating activities		(354,806)	82,117
Cash flow from investing activities			
Purchase of plant and equipment		(314,453)	(50,082)
Payment for acquisition of management contracts	5	(508,970)	-
Acquisition of subsidiaries/business net of cash acquired	5	(3,467,727)	(4,730,986)
Payment for the cost of reverse acquisition		(367,735)	
Payment for the acquisition of development property		(62,801)	-
Loans provided to related parties		(32,444)	(235,454)
Repayment of loans from related parties		-	124,592
Net cash (used in)/provided by investing activities		(4,754,129)	(4,891,930)
Cash flow from financing activities			
Proceeds from capital raising		5,000,000	-
Proceeds from loyalty option		220,696	
Dividends paid		(24,490)	-
Payment for the cost of capital raising		(923,468)	-
Proceeds from borrowings		2,531,597	4,728,094
Repayment of borrowings		(1,432,158)	(104,281)
Net cash provided by/(used in) financing activities		5,372,177	4,623,813
Net decrease provided by/(used in) financing activity		263,242	(186,000)
Cash and cash equivalents at the beginning of the period		358,881	551,071
Cash and cash equivalents at the end of the financial year	4	622,123	365,071

The Statement of Cash Flows should be read in conjunction with the accompanying notes.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of Preparation

The half-year financial report is a general purpose financial report, which has been prepared in accordance with the requirements of Corporations Act 2001, AASB 134 Interim Financial Reporting and other mandatory professional reporting requirements. The half-year financial report has been prepared on a historical cost basis, unless otherwise stated.

The half-year report does not include full disclosures of the type normally included in an 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.

This financial report should be read in conjunction with the Annual Financial Report for the year ended 30 June 2008 and any public announcements made by the Group since then.

(b) Significant accounting policies

The same accounting policies have been followed as those applied in the financial report of Teys Limited (previously known as Global Approach Limited) for the year ended 30 June 2008, except for the following accounting policies which have been adopted by the Combined Group consequent to the acquisition of Teys Proprietary Limited:

(i) Principles of consolidation

The consolidated financial statements incorporate the assets and liabilities of all subsidiaries of TEYS Limited as at 31 December 2008 and the results of all subsidiaries for the year then ended. TEYS Limited and its subsidiaries together are referred to in this financial report as the Group or the consolidated entity.

Subsidiaries are all those entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies, generally accompanying a shareholding of more than one-half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assesing whether the Group controls another entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are de-consolidated from the date that control ceases. The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group.

Intercompany transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of the impairment of the asset transferred. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

Investments in subsidiaries are accounted for at cost in the individual financial statements of TEYS Limited.

(ii) Acquisition of Teys Proprietary Limited by TEYS Limited

On 1 July 2008, TEYS Limited acquired 100% of the issued capital in TEYS Proprietary Limited ("TPL") for $6,336,000. Consideration for the Acquisition was in the form of 330,000,000 fully paid ordinary shares in the Company at an issue price of $0.0192 per share issued to the shareholders of the TPL.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cntd)

In accordance with applicable accounting standards, for the purposes of accounting for the Acquisition, TPL has been treated as the acquirer, since TPL shareholder's obtained a greater ownership of the expanded share capital of TEYS Limited after the Acquisition transaction. This is described as a reverse acquisition. For other purposes, including entitlement to dividends, Teys Limited remains the Parent company of the combined Group.

Reverse acquisition accounting applies only to the business combination transaction at the acquisition date and does not apply to transactions after the reverse acquisition transaction. It further applies only to the consolidated financial statements.

This financial report discloses the consolidated financial statements of the Group as if TPL is the acquirer for accounting purposes and TEYS Limited is the acquiree. The consolidated financial statements are presented as 'a continuation" of the financial statements of TPL, the legal subsidiary.

Because the consolidated financial statements represents a continuation of the financial statements of TPL, the legal subsidiary of Teys Limited, the legal parent:

• fair value adjustments arising at Acquisition were made to TEYS Limited assets not those of TPL.

• the costs of business combination is based on the notional amount of shares that TPL would need to issue to acquire a 65% ownership of TEYS Limited shares that TPL's shareholders did not own after the Acquisition date, times the fair value of TPL's shares at the acquisition date.

• retained earnings and other equity balances in the consolidated financial statements at the date of acquisition are the retained earnings and other equity balances of TPL immediately before the Acquisition.

• the amount recognised as issued equity instruments in the consolidated financial statements has been determined by adding the cost of the Acquisition to the issued equity of TPL immediately before the business combination

• the equity structure in the consolidated financial statements (the number and type of equity instruments issued) at the date of Acquisition reflects the equity structure of TEYS Limited, including the equity instruments issued by TEYS Limited to effect the Acquisition.

• the results for the half year ended 31 December 2008 comprise the results of TPL (the acquirer for accounting purposes) and its controlled entities, and the results of TEYS Limited (the acquiree for accounting purposes) and its controlled entities for the six month period ended 31 December 2008.

• the results for the half year ended 31 December 2007 comprise those of TPL (the acquirer for accounting purposes) and its controlled entities prior to the Acquisition, for the 6 month period ended 31 December 2007, TPL's previous half year.

• the balance sheets presented as at 31 December 2008 comprise the balance sheet of the combined group as at 31 December 2008. The balance sheet for the comparative period is the balance sheet of TPL as at 30 June 2008 before the Acquisition.

(iii) Intangible Assets

(a) Goodwill

Goodwill on consolidation is initially recorded at the amount by which the purchase price for a business or for an ownership interest in a controlled entity exceeds the fair value attributed to the interest in the net fair value of identifiable assets, liabilities and contingent liabilities at date of acquisition. Goodwill on acquisition of subsidiaries is included in intangible assets.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Cntd)

Goodwill on acquisition of associates is included in investments in associates. Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

(b) Costumer contracts

Customer contracts acquired as part of a business combination are recognised separately from goodwill. The customer contracts are carried at their fair value at the date of acquisition less accumulated amortisation and impairment losses. Amortisation is calculated based on the timing of projected cash flows of the contracts over their estimated useful lives, which currently is between 10 and 15 years.

(iv) Revenue

Revenue from strata management, legal services and funds management are recognised over the respective periods to which the service was performed as well as expenses incurred on behalf of customers. Revenue from the rendering of other services is recognised upon the delivery of the service to the customers.

Dividend revenue is recognised when the right to receive a dividend has been established. Dividends received from associates are accounted for in accordance with the equity method of accounting.

Interest revenue is recognised on a proportional basis taking into account the interest rates applicable to the financial assets.

All revenue is stated net of the amount of goods and services tax (GST).

(v) Development Property

The groups development projects include costs incurred for current and future development of the property in Mt. Druitt. Development projects include capitalised construction and development costs and where applicable, borrowing costs incurred on qualifying developments. Development projects are carried at fair value less costs to sell based on the Directors Assessment of that value at each reporting date. Increments and decrements in fair value are included in the income statement in the year in which they arise. On completion of the development, projects are reclassified from development projects to development property held for sale.

(vi) Investment in Associates

Investments in associate companies are recognised in the financial statements by applying the equity method of accounting. The equity method of accounting recognises the Group's share of post-acquisition reserves of its associates.

(d) Segment reporting

Segment revenues and expenses are those directly attributable to the segments and include any joint revenue and expenses where a reasonable basis of allocation exists. Segment assets include all assets used by a segment and consist principally of cash, receivables, intangibles and property, plant and equipment, net of allowances and accumulated depreciation and amortisation.

While most such assets can be directly attributed to individual segments, the carrying amount of certain assets used jointly by two or more segments is allocated to the segments on a reasonable basis. Segment liabilities consist principally of payables, employee benefits, accrued expenses, provisions and borrowings. Segment assets and liabilities do not include deferred income taxes.

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES (Contd)

Intersegment Charges

Segment revenues, expenses and results exclude transfers between segments. The prices charged on intersegment transactions are the same as those charged for similar goods to parties outside of the Group at an arm's length. These transfers are eliminated on consolidation.

Business segments

The Group has the following four business segments:
- Funds management segment acts as responsible entity to property funds.

- Strata management segment manages owners corporations/bodies corporate of common properties.
- Legal services segment provides legal services to the members of owners corporations/bodies corporate and property fund
- Other segments invest in property-related entities.

Geographical segments

The Group operates predominantly in Australia.

(e) Details of Reporting Period

The current reporting period is the half-year ended 31 December 2008 and the previous corresponding period is the year ended 30 June 2008, except for consolidated income statement for half year ended 31 December 2007.

(f) Going Concern

Notwithstanding the Group's deficiency of net working capital of $2,555,337 as at 31 December 2008 and loss of $2,043,059 for the period, the financial report has been prepared on a going concern basis and the Group will be able to pay its debts as and when they become due and payable.

Given the restructure of the business and the acquisitions made during the period (refer to Note 5), the directors have critically assesed the future profit projections of the Group and the future cashflows associated with these together with the refinancing of two short term commercial bill facilities (refer to Note 11) and are of the opinion that the Group is a going concern.

NOTES TO THE FINANCIAL STATEMENTS

	Consolidated Group 6 months ended 31 December 2008 $	Consolidated Group 6 months ended 31 December 2007 $
NOTE 2: REVENUE		
(a) Operating Activities:		
Revenue from strata management	3,514,894	1,649,601
Revenue from funds management	687,787	1,564,875
Revenue from legal services	418,785	413,777
	4,621,466	3,628,253
(b) Other Revenue:		
Interest revenue from other persons	12,089	2,040
Sundry income	44,012	-
	56,101	2,040
NOTE 3: PROFIT/(LOSS) FOR THE YEAR		
(a) Expenses:		
Finance costs:		
- External	308,139	194,177
- Related Entity	141,845	72,548
	449,984	266,725
Bad and doubtful debts:		
- Trade Receivables	87,660	8,157
	87,660	8,157

	Consolidated Group 31 Dec 2008 $	Consolidated Group 30 Jun 2008 $
NOTE 4: CASH AND CASH EQUIVALENTS		

For the purpose of the half-year cash flow statement, cash and cash equivalents are comprised of the following;

Cash at bank and on hand	622,123	20,078
	622,123	20,078

NOTE 5: BUSINESS COMBINATION

Acquisition of TEYS Proprietary Limited (TPL)

Details of the net assets acquired and goodwill are as follows:

		$
Cost of business combination		3,724,813
The fair values of the net tangible assets and liabilities acquired are as follows:		
Cash and cash equivalents	20,078	
Receivables	2,116,940	
Other Assets	64,356	
Payables	(390,053)	
Borrowings	(35,000)	
Net identifiable assets acquired		1,776,321
Goodwill at cost		**1,948,492**

NOTES TO THE FINANCIAL STATEMENTS

NOTE 5: BUSINESS COMBINATION (Contd)

Business Acquisitions

New acquisitions during the

Name of Business	Date of Acquisition	Proportion of acquired	Cost of purchase $	Net Tangible Assets $	Goodwill on acquisition $	Intangibles $	Contributions since acquired $	Contributions 6 months $	Revenue 6 months $
TEYS Cleveland Pty Ltd (prev. Sinaus Pty Ltd)	31-Jul-08	100%	1,102,440	13,220	933,008	156,211	129,054	154,865	434,276
TEYS Albury Pty Ltd (prev. Albury Pty Ltd)	8-Aug-08	100%	726,744	63,797	483,110	179,837	43,743	52,492	363,734
[1] TEYS Gold Coast Pty Ltd	1-Jul-08	40%	50,000	29,567	20,433	-	4,237	4,237	90,349
[2] Pennisi Real Estate (incorporated to TEYS Melbourne)	23-Sep-08		422,054	-	379,849	42,205	27,300	54,600	93,454
[3] TEYS Bayswater (prev. RE Appleby Pty Ltd)	15-Dec-08		1,263,097	(39,890)	1,172,688	130,299	5,951	170,000	314,261
[3] TEYS Como (prev. Jones Ballard Property Group)	23-Dec-08		412,363	(13,866)	383,606	42,623	-	-	-
Total			3,976,697		**3,372,694**	**551,175**	**210,285**	**436,194**	**1,296,074**

[1] Acquisition on the remainder 40%
[2] Acquisition on the strata
[3] Acquisitions on the strata

NOTE 6: EQUITIES SECURITIES ISSUED

	2008 No.	2007 No.	**2008** $	2007 $
Issue of ordinary shares during half year				
Issue of shares for the acquisition of TPL *	41,250,000	-	3,337,000	-
Capital raising	25,000,000	-	5,000,000	-
Loyalty options	44,138,519	-	220,696	-
Converted options	1,011	-	202	-
	110,389,530	-	**8,557,898**	-

* Pre-consolidation the number of shares is 330,000,000

NOTE 7: INTANGIBLE ASSETS

	Consolidated Group 31 Dec 2008 $	Consolidated Group 30 Jun 2008 $
NON-CURRENT		
Intangibles (Management contracts)	927,948	451,614
Goodwill - at cost	9,926,035	4,562,645
	10,853,983	5,014,259

NOTES TO THE FINANCIAL STATEMENTS

NOTE 7: INTANGIBLE ASSETS (Cntd)

Movement in carrying amount of goodwill and intangibles

	Goodwill $	Intangibles $	Amortisation $
Balance at 1 July 2008	4,562,645	482,127	(30,513)
Additions			
TEYS Limited	1,948,493	-	
TEYS Cleveland Pty Ltd	933,008	156,211	(5,424)
TEYS Albury Pty Ltd	483,110	179,837	(6,244)
TEYS Gold Coast Pty Ltd	20,433		-
Pennisi Real Estate (integrated to TEYS Melbourne)	379,849	42,205	(2,835)
TEYS Strata t/a Bayswater	1,172,688	130,299	-
TEYS Strata t/a Como Pty Ltd	383,606	42,623	-
Amortisation			
Teys Melbourne			(15,854)
Teys Noosa			(2,281)
Balance at 31 December 2008	**9,883,832**	**1,033,302**	**(63,151)**

NOTE 8: DEVELOPMENT PROPERTY

	Consolidated Group	
	31 Dec 2008 $	30 Jun 2008 $
At fair value:		
Opening balance	-	-
Acquisitions	1,679,760	1,616,959
Disposals	-	-
Fair value adjustments	(179,760)	-
	1,500,000	1,616,959

The carrying amount of the development property is the fair value of the property as determined by a registered independent appraiser having an appropriate recognised professional qualification and recent experience in the location and category of the property being valued. Fair value was determined having regard to recent market transactions for similar properties in the same location as the development properties.

NOTE 9: INVESTMENTS ACCOUNTED FOR USING EQUITY METHOD

(a) Interests are held in the following associated companies:

Name (unlisted):	TEYS Strata (Brisbane) Pty Ltd
Principal activities:	Strata management
Country of incorporation:	Australia
Shares:	Ordinary
Ownership interest:	50%
Carrying amount of investment:	$ 273,142

(b) Movements during the year in equity accounted investments in associated companies

	Consolidated Group	
	31 Dec 2008 $	30 Jun 2008 $
Balance at beginning of the financial year	254,340	261,469
Add:		
Share of associate's profit after tax	85,895	97,372
Less:		
Dividends received	(67,093)	(104,501)
Balance at end of the financial year	**273,142**	254,340

(c) Equity accounted profit of associates are broken down as follows:		
Shares of associates' profit before income tax benefit	85,895	139,952
Share of associates ' income tax benefit	-	(42,580)
Shares of associates' profits/(losses) after income tax expense	**85,895**	97,372

NOTE 10: SEGMENT REPORTING

	Funds Management		Strata Management		Legal Services		Others		Consolidated Group	
	6 Months December 2008 $	6 Months December 2007 $	6 Months December 2008 $	6 Months December 2007 $	6 Months December 2008 $	6 Months December 2007 $	6 Months December 2008 $	6 Months December 2007 $	6 Months December 2008 $	6 Months December 2007 $
REVENUE										
External revenue	687,787	1,564,875	3,514,894	1,613,177	418,785	413,777	-	36,424	4,621,466	3,628,253
Total revenue	687,787	1,564,875	3,514,894	1,613,177	418,785	413,777	-	36,424	4,621,466	3,628,253
RESULT										
Segment result	248,812	1,311,862	528,118	246,591	32,430	45,598	(2,419,833)	(1,549,050)	(1,610,472)	55,001
Finance costs	(156,564)	(32,938)	(265,725)	(126,714)	(1,177)	(2,077)	(26,519)	(105,796)	(449,984)	(267,525)
Share of net profit of associates	-	(21,849)	85,895	47,476	-	-	-	-	85,895	25,627
Profit / (Loss) before income tax	92,249	1,257,075	348,288	167,353	31,253	43,521	(2,446,353)	(1,654,846)	(1,974,561)	(186,897)
Income tax expense	-	-	-	-	-	-	-	-	-	69,748
Profit / (Loss) after income tax	92,249	1,257,075	348,288	167,353	31,253	43,521	(2,446,353)	(1,654,846)	(1,974,561)	(117,149)
ASSETS										
Segment assets	3,139,564	713,647	10,965,857	6,135,745	11,913	86,792	1,513,559	1,847,962	15,630,893	8,784,145
LIABILITIES										
Segment liabilities	1,572,527	982,813	7,899,516	6,031,164	107,634	137,933	1,885,112	2,810,920	11,464,790	9,962,830
OTHER										
Investments accounts for using the equity method	-	-	273,142	233,762	-	-	-	-	273,142	233,762
Acquisitions of non-current segment assets	-	-	314,453	4,730,986	-	-	-	-	314,453	4,730,986
Depreciation and amortisation of segment assets	376	376	72,682	23,450	845	580	57,209	16,881	131,112	41,287
Impairment charge	179,760	-	-	-	-	-	-	-	179,760	-
Share based payment	-	-	-	-	-	-	98,900	-	98,900	-
Other non-cash segment expenses	-	8,157	-	-	-	-	-	-	-	8,157

NOTES TO THE FINANCIAL STATEMENTS

NOTE 11: FINANCIAL LIABILITIES

	Consolidated Group	
	31 Dec 2008	**30 Jun 2008**
	$	$
CURRENT		
Bank loans	1,690,000	1,656,732
Lease liabilities	36,632	35,205
Other loan	-	500,000
	1,726,632	2,191,937

The bank loans totalling to $1,450,000 relate to two short-term commercial bill facilities which expires on 31 March 2009. On 5 January 2009, the bank loans were refinanced by another bank via revolving line of credit which expires in 5 years.

NON-CURRENT		
Bank loans	5,348,454	2,898,415
Lease liabilities	92,219	108,472
Related party loans	1,715,649	4,784,911
	7,156,323	7,791,798

NOTE 12: CONTINGENT COMMITMENTS

The Group is currently defending three outstanding litigation claims as following:

• A claim brought against one of its subsidiaries by a former employee, claiming an unliquidated amount of damages for alleged contractual breaches during her employment. A cross-claim has been filed by the subsidiary in response to this claim. As the status of the claim is unliquidated, it is difficult to give an accurate quantification. This claim is described in the prospectus issued in June 2008.

• As disclosed in the prospectus in June 2008, a subsidiary of the Group, Teys Property Funds Limited, is currently defending a claim by an investor of a fund managed by one of its subsidiaries, claiming a sum of $1,033,342 as damages for alleged contravention of the Trade Practices Act 1974 and the Fair Trading Act 1987.

• In November 2008, the contracts of two senior employees were terminated. The Company sought and followed legal advice prior to terminating the employees. Statements of claim from two senior employees were issued in January 2009 who are seeking a total of $2,100,000 in respect of termination of their employment. The matter has been referred to its legal advisers and will be defended.

In addition the Group has received letters of demand from RFA Group (companies previously managed by a subsidiary of the Group, Teys Property Funds Limited) which relate to the management of RFA and its activities. The total of the demands is for approximately $3,584,500. The board of RFA Group of companies, comprises a majority of directors who are former employees of the Group and are in dispute with the Group about the termination of their employment. The Group has referred the matter to its legal advisers and is currently defending the matter.

The Group is not expecting any financial impact that will materially effect the financial statements as of 31 December 2008 from these outstanding matters.

NOTE 13: EVENTS SUBSEQUENT TO BALANCE DATE

On 5 Feb 2009, the Group advised that the planned acquisition to purchase of portfolio of strata lots trading as Body Corporate Choice Proprietary Limited located in Palm Beach, Queensland would not proceed following completion of due diligence process.

TEYS Limited and Controlled Entities
Interim Financial Report for the period ended 31 December 2008

DIRECTORS DECLARATION

In the opinion of the directors of Teys Limited ("the Group"):

1. The financial statements and notes set out on pages 7 to 19 are in accordance with the Corporations Act 2001 including:

(a) giving a true and fair view of the financial position of the consolidated entity as at 31 December 2008 and of its performance, as represented by the results of its operations and cash-flows for the half-year ended on that date; and

(b) complying with Australian Accounting Standard AASB 134 Interim Financial Reporting and the Corporations Regulations 2001; and

2. There are reasonable grounds to believe that the Group 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 directors.

Signed at Sydney this 27th day of February 2009

On behalf of the Board of Directors

Michael John Teys
Director

Chartered Accountants
& Business Advisers

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of TEYS Limited

Report on the Half-Year Financial Report

We have reviewed the accompanying half-year financial report of TEYS Limited, which comprises the balance sheet as at 31 December 2008, and the income statement, statement of changes in equity and cash flow statements for the half-year ended on that date, and other selected explanatory notes and the directors' declaration of the consolidated entity comprising TEYS Limited and its subsidiaries at 31 December 2008 or from time to time during the half year ended on that date.

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 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 the Auditing Standard on Review Engagements ASRE 2410 *Review of an Interim 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 company's financial position as at 31 December 2008 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 TEYS 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.

Chartered Accountants
& Business Advisers

Independence

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

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 TEYS 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 2008 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.

PKF

PKF

Tony Rose
Partner

Sydney
27 February 2008

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