

**ASX ANNOUNCEMENT 29 APRIL 2008**  
EYECARE PARTNERS LIMITED ACN 006 505 808

The Directors of Eyecare Partners Limited are pleased to provide the following commentary which should be read in conjunction with the attached Form 4C Cash Flow report for Eyecare Partners Limited and its subsidiaries.

The Eyecare Partners' optometry practices now number 21, and the increased cash flow from operations reflects the effect of a full quarter contribution from the acquisitions completed in the last half year and a part quarter effect for the acquisition completed in January.

Agreement has been reached for the purchase of five additional practices to be settled in May 2008, bringing total practices to 26; one more than previously advised. The practices in aggregate are expected to add annual revenues in excess of \$1.75 million to the group. The acquisitions are anticipated to be cash flow and earnings per share positive. The total cost of the acquisitions is \$1.4 million and will be settled in cash.

The practices will remain managed by the vendor optometrists in line with the company's management philosophy of local day to day management of practices. Located in Moonee Ponds, Oakleigh, Bendigo and Hawthorn (all in Victoria) and Newton in South Australia, the practices are well established businesses with scope for further improvement.

Consumer sentiment, global and domestic economic conditions and market competitive forces combine to impact on practice performance. To date, the group is performing in line with prospectus forecasts. The Directors, having taken into account current uncertain domestic and global economic conditions, and confirm prospectus forecasts as appropriate.

Eyecare Partners will continue to identify and assess acquisition opportunities to add to the group. Current activities are focused on acquiring new metropolitan practices and add on practices proximate to existing practices where supervising management can be shared.

### **Cash Flow**

The closing cash and cash equivalents at the end of the quarter were \$3.9m. The practice businesses contributed positive operating cash flow of \$0.8m to the group for the quarter (after corporate office costs) and the primary uses of cash were the payment of the interim dividend and the acquisition of the Aspley practice.

The cash balance is adequate to allow the group to pursue its acquisition and operational goals, and sufficient standby bank funding arrangements are in place to accommodate its acquisition plans.

For further information please contact  
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# Appendix 4C

## Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005.

Name of entity

EYECARE PARTNERS LIMITED

ABN

47 006 505 880

Quarter ended ("current quarter")

31 March 2008

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (9 months) \$A'000
1.1 Receipts from customers	4,435	11,434
1.2 Payments for		
(a) staff costs	(1,563)	(3,977)
(b) advertising and marketing	(34)	(142)
(c) research and development		
(d) leased assets	(8)	(19)
(e) other working capital	(2,050)	(5,201)
1.3 Dividends received		
1.4 Interest and other items of a similar nature received	45	147
1.5 Interest and other costs of finance paid	(2)	(3)
1.6 Income taxes paid		
1.7 Other (provide details if material)		
<b>Net operating cash flows</b>	<b>823</b>	<b>2,239</b>

This Appendix 4C includes the following restatement of items previously reported.

Proceeds of capital raisings reported for the year to date as at 31 December 2007 included an amount of share based remuneration (\$82k) which was a non-cash expense. The adjusting entry is a reduction in the year to date proceeds from the issue of capital and payments for staff costs. Reported payments for equity included items that were purchased through non-cash payments. Payments for the acquisition of physical non-current assets and other non-current assets included amounts which are more correctly allocated to payments for the acquisition of businesses, and those amounts have been reallocated in this Appendix 4C.

**Appendix 4C**  
**Quarterly report for entities**  
**admitted on the basis of commitments**

	Current quarter \$A'000	Year to date (6 months) \$A'000
1.8 Net operating cash flows (carried forward)	823	2,239
<b>Cash flows related to investing activities</b>		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	(255)	(2,739)
(b) equity investments		(4)
(c) intellectual property		
(d) physical non-current assets	(61)	(334)
(e) other non-current assets	(151)	(351)
1.10 Proceeds from disposal of:		
(a) businesses (item 5)		
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets		
(e) other non-current assets		
1.11 Loans to other entities		
1.12 Loans repaid by other entities		
1.13 Other (provide details if material)		
<b>Net investing cash flows</b>	(467)	(3,428)
<b>1.14 Total operating and investing cash flows</b>	356	(1,189)
<b>Cash flows related to financing activities</b>		
1.15 Proceeds from issues of shares, options, etc.		4,638
1.16 Proceeds from sale of forfeited shares		
1.17 Proceeds from borrowings		104
1.18 Repayment of borrowings	(6)	(16)
1.19 Dividends paid	(508)	(508)
1.20 Other (provide details if material)		
<b>Net financing cash flows</b>	(515)	4,218
<b>Net increase (decrease) in cash held</b>	(158)	3,029
1.21 Cash at beginning of quarter/year to date	3,997	810
1.22 Exchange rate adjustments to item 1.20		
1.23 <b>Cash at end of quarter</b>	3,839	3,839

+ See chapter 19 for defined terms.

**Payments to directors of the entity and associates of the directors**

**Payments to related entities of the entity and associates of the related entities**

		Current quarter \$A'000
1.24	Aggregate amount of payments to the parties included in item 1.2	105
1.25	Aggregate amount of loans to the parties included in item 1.11	-
1.26	Explanation necessary for an understanding of the transactions <div style="border: 1px solid black; padding: 5px; margin-top: 5px;">Rental of premises at commercial rates \$66k, Directors' Fees \$39k.</div>	

**Non-cash financing and investing activities**

2.1 Details of financing and investing transactions which have had a material effect on consolidated assets and liabilities but did not involve cash flows

N/A

2.2 Details of outlays made by other entities to establish or increase their share in businesses in which the reporting entity has an interest

N/A

**Financing facilities available**

*Add notes as necessary for an understanding of the position. (See AASB 1026 paragraph 12.2).*

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	88	88
3.2	Credit standby arrangements	2,000	NIL

+ See chapter 19 for defined terms.

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**Reconciliation of cash**

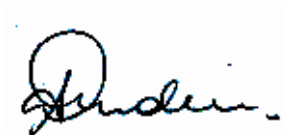
Reconciliation of cash at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts is as follows.	Current quarter \$A'000	Previous quarter \$A'000
4.1 Cash on hand and at bank	1,794	2,029
4.2 Deposits at call		
4.3 Bank overdraft		
4.4 Other (Interest Bearing Term Deposits)	2,045	1,968
<b>Total: cash at end of quarter (item 1.23)</b>	<b>3,839</b>	<b>3,997</b>

**Acquisitions and disposals of business entities**

	Acquisitions <i>(Item 1.9(a))</i>	Disposals <i>(Item 1.10(a))</i>
5.1 Name of entity	1 Optometry Practice	
5.2 Place of incorporation or registration	Brisbane	
5.3 Consideration for acquisition or disposal (\$A 000's)	(in cash) \$325	
5.4 Total net assets (\$A 000's)	\$103	
5.5 Nature of business	Optometry practice	

**Compliance statement**

- 1 This statement has been prepared under accounting policies which comply with accounting standards as defined in the Corporations Act (except to the extent that information is not required because of note 2) or other standards acceptable to ASX.
- 2 This statement does give a true and fair view of the matters disclosed.

Sign here: ..  ..... Date: 30 April 2008.  
 Director

Print name: Sandra D Andersen.

+ See chapter 19 for defined terms.

## Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity wanting to disclose additional information is encouraged to do so, in a note or notes attached to this report.
2. The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* apply to this report except for the paragraphs of the Standard set out below.
  - 6.2 - reconciliation of cash flows arising from operating activities to operating profit or loss
  - 9.2 - itemised disclosure relating to acquisitions
  - 9.4 - itemised disclosure relating to disposals
  - 12.1(a) - policy for classification of cash items
  - 12.3 - disclosure of restrictions on use of cash
  - 13.1 - comparative information
3. **Accounting Standards.** ASX will accept, for example, the use of International Accounting Standards for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.