

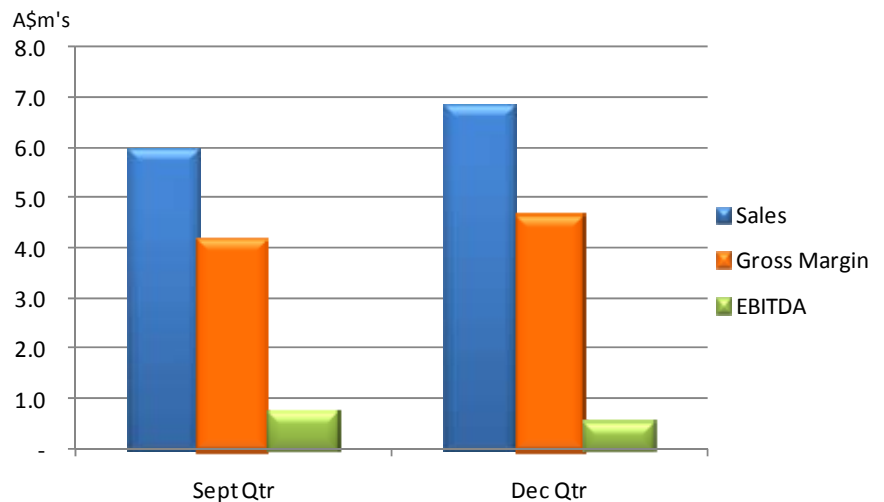
ASX ANNOUNCEMENT 30 JANUARY 2009
EYECARE PARTNERS LIMITED ACN 006 505 808

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.

Cash Flow

Revenues for the quarter totaled approximately \$6.8m bringing the year to date total to \$12.8m, an increase of 78% over the same period in the prior year, reflecting the effect of acquisitions and organic sales growth from all practices. Performance in the second quarter was affected by increased wages and salaries costs, and increased corporate office expenses as the group geared up ahead of additional practice acquisitions in October. This investment is expected to be recouped in the second half of the financial year as acquisitions contribute a full half year earnings.

The preliminary financial result for the half year will be reported by the close of February, and although revenues have increased over the same period last year, the combined effect of the investment in increasing corporate office capacity, interest costs on the investment in our business acquisitions and additional depreciation expense for investment in optometric equipment purchased during the half year to further build the business. Net profit before tax is expected to be slightly less than for the same period last year.



The closing cash and cash equivalents at the end of the quarter were \$1.8m. The cash flow for the quarter from operations reflected the increased receipts and payments as a result of acquisitions. Operating cash flows for the quarter was a positive \$0.7m and the primary use of cash was the acquisition of the optometry practices.

The group utilised \$2.7m in bank finance during the quarter which was applied in the settlement of acquisitions.

The cash resources remain adequate to allow the group to pursue its goals, and sufficient standby bank funding arrangements are in place to accommodate its corporate plans.

Acquisitions

The Eyecare Partners' optometry practices as at the end of the September quarter numbered 33. The Company has since acquired a further 6 practices bringing the total number of practices to 39.

The new practices acquired in October are located at Ballarat in Victoria, Subiaco in Western Australia and Kincumber, Toukley, and Umina in New South Wales. The practices in aggregate are expected to add \$3.8m in annualised gross revenue to the group.

One practice was acquired in January 2009, and the group expects to complete one further acquisition shortly. The combined annualized revenue from these practices is expected to be \$1.6m.

The practices will continue to be managed by the vendors in line with the company's management philosophy of local day to day management of practices.

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

The company is cognisant of the prevailing global economic uncertainty and the constraints on capital availability. The effect on the operations of the business of this uncertainty is unknown, and the company will adopt a cautious approach in relation to its business and acquisition activities.

For further information please contact:
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Email : s.andersen@eyecarepartners.com.au.



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 December 2008

Consolidated statement of cash flows

Cash	Current quarter \$A'000	Year to date (6 months) \$A'000
1.1 Receipts from customers	7,212	12,746
1.2 Payments for		
(a) staff costs	(2,746)	(5,478)
(b) advertising and marketing	(195)	(307)
(c) research and development		
(d) leased assets	(32)	(32)
(e) other working capital	(3,477)	(5,055)
1.3 Dividends received	56	56
1.4 Interest and other items of a similar nature received	22	63
1.5 Interest and other costs of finance paid	(88)	(206)
1.6 Income taxes paid	(55)	(55)
1.7 Other (provide details if material)		
Net operating cash flows	697	1,732

+ See charter 19 for defined terms
 24/10/2005

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)	697	1,732
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	(3,576)	(7,159)
(b) equity investments	(5)	(93)
(c) intellectual property		
(d) physical non-current assets	(235)	(415)
(e) other non-current assets		
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)		
Net investing cash flows	(3,816)	(7,668)
1.14 Total operating and investing cash flows	(3,119)	(5,936)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.		
1.16 Proceeds from sale of forfeited shares		
1.17 Proceeds from borrowings	2,646	5,885
1.18 Repayment of borrowings		
1.19 Dividends paid	-	(763)
1.20 Other (provide details if material)		
Net financing cash flows	2,646	5,122
Net increase (decrease) in cash held	(473)	(814)
1.21 Cash at beginning of quarter/year to date	2,291	2,631
1.22 Exchange rate adjustments to item 1.20		
1.23 Cash at end of quarter	1,817	1,817

+ See chapter 19 for defined terms
24/10/2005

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	155
1.25 Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Payments to related parties included Directors' Fees of \$ 64K and payments for the rental of premises of \$91K which are subject to lease arrangements on commercial terms and conditions.

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	8,749	5,994
3.2 Credit standby arrangements	-	-

The Company has drawn bank funding facilities since the end of the reporting period to assist with the acquisition of optometry practices. The facilities total \$8.7m and are drawn to \$5.9m.

+ See chapter 19 for defined terms

24/10/2005

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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	387	882
4.2 Deposits at call	1,430	1,409
4.3 Bank overdraft		
4.4 Other (Interest Bearing Term Deposits)		
Total: cash at end of quarter (item 1.23)	1,817	2,291

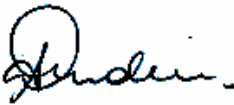
Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	5 Optometry Practices	
5.2 Place of incorporation or registration	Kincumber, Toukley, Umina Beach (NSW) Ballarat (VIC) Subiaco (WA)	
5.3 Consideration for acquisition or disposal (\$A 000's)	(in cash) 3,576	
5.4 Total net assets (\$A 000's)	1,629	
5.5 Nature of business	Optometry practices	

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:



Director
 Sandra D Andersen

Date: 30 January 2009

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 for foreign entities. If the standards used do not address a topic, the Australian standard on that topic (if any) must be complied with.