



## **People Telecom Limited Appendix 4c Quarterly Report**

People Telecom Limited (ASX/NZX:PEO) is pleased to provide the updated Part 4C cash position of the company.

The closing cash position at March 31 was \$3,955,000 excluding \$1,548,000 held on deposit as security for bank guarantees given to third parties and the Operating Cash Flow for the first 9 months of 2005 was a positive \$1,144,000.

The company continues its strong sales push with record sales in February and March including the signing of 3,500 new customers with annual revenues estimated to be over \$6 million. People Telecom can boast major customer wins including the Michel's Patisserie (\$2 million contract), Olympus Medical Australia (\$0.4 million contract), and Miller's Retail Group (\$1.3 million extended contract).

### **About People Telecom:**

One of Australia's largest and fastest growing telecommunications groups, People Telecom offers a comprehensive range of telecommunications products and services for both consumers and business.

The company is a leader in service within the telecommunications landscape, offering high customer service levels accompanied by a full suite of standard and cutting edge telecommunications products such as Voice-Over Internet Protocol (VoIP).

Over the four year period the company has grown dramatically. In the 2004 financial year pro-forma revenues reached \$73m and the 2005 financial year revenue is expected at \$100m.

For further information, please visit <http://www.peopletelecom.com.au> or contact:

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## People Telecom Limited

### Appendix 4C

#### Quarterly report for entities admitted on the basis of commitments For the Quarter ended 31 March 2005

Name of entity

PEOPLE TELECOM LIMITED

ABN

31 009 273 152

Quarter ended ("current quarter")

31 March 2005

#### 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	25,069	73,735
1.2 Payments for		
(a) cost of sales	(17,508)	(52,644)
(b) wages and related expenses	(2,719)	(8,474)
(c) dealer payments	(1,276)	(4,625)
(d) other working capital	(1,789)	(6,917)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	40	145
1.5 Interest and other costs of finance paid	(22)	(76)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
<b>Net operating cash flows</b>	<b>1,795</b>	<b>1,144</b>

Notes

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		Current quarter \$A'000	Year to date ( 9 months) \$A'000
1.8	Net operating cash flows (carried forward)	1,795	1,144
<b>Cash flows related to investing activities</b>			
1.9	Payment for acquisition of:		
	(a) businesses (item 5)		
	(b) equity investments		
	(c) intellectual property		
	(d) physical non-current assets	(218)	(475)
	(e) other non-current assets	223	190
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>	5	(285)
1.14	<b>Total operating and investing cash flows</b>	1,800	859
<b>Cash flows related to financing activities</b>			
1.15	Proceeds from issues of shares, options, etc.	8	8
1.16	Proceeds from sale of forfeited shares		
1.17	Proceeds from borrowings		
1.18	Repayment of borrowings including finance lease principal	(115)	(469)
1.19	Dividends paid		
1.20	Other (provide details if material)		
	<b>Net financing cash flows</b>	(107)	(461)
	<b>Net increase (decrease) in cash held</b>	1,693	398
1.21	Cash at beginning of quarter/year to date	2,262	3,557
1.22	Exchange rate adjustments to item 1.20	-	-
1.23	<b>Cash at end of quarter</b>	3,955	3,955

Note – Cash at end of quarter excludes cash on deposit of \$1.548 million provided as security for bank guarantees given to third parties

**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	157
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Aggregate payment comprises salary to CEO and directors fees paid to non executive directors

**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	-	-
3.2	Credit standby arrangements	-	-

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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	3,955	2,262
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
<b>Total: cash at end of quarter (item 1.22)</b>	<b>3,955</b>	<b>2,262</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	N/A	N/A
5.2 Place of incorporation or registration		
5.3 Consideration for acquisition or disposal		
5.4 Total net assets		
5.5 Nature of business		

**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:   
 .....  
 Company secretary

Date: 21/4/05  
 .....

Print name: Wayne Wanders

## 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