

**Appendix 4C**  
Quarterly cash flow report for  
entities admitted on the basis of commitments  
Q3, 2006

**E-PAY ASIA LIMITED (ASX / AIM: EPY)**

ABN 99 809 227 887

**Consolidated statement of cash flows for the period ended 30 September 2006**

<b>Cash flows related to operating activities</b>	Current quarter Jul - Sep 06 \$A'000	Year to date Jan - Sep 06 \$A'000
<b>1.1 Receipts from customers</b>	<b>140,833</b>	<b>400,315</b>
1.2 Payment for suppliers and employees	(140,370)	(395,376)
1.3 Interest and other costs of finance paid	(187)	(552)
1.4 Income taxes paid	(13)	(288)
<b>1.5 Net operating cash flows</b>	<b>263</b>	<b>4,099</b>
<i>Cash flows related to investing activities</i>		
1.6 Additional investment in subsidiary	0	(1,381)
1.7 Payment for equipment	(570)	(1,773)
1.8 Proceeds from disposal of equipment	50	172
1.9 Net investing cash flows	(520)	(2,982)
<b>1.10 Total operating and investing cash flows</b>	<b>(257)</b>	<b>1,117</b>
<i>Cash flows related to financing activities</i>		
1.11 Proceeds from issues of shares, options, etc.	313	900
1.12 Proceeds from short term borrowings	526	6,310
1.13 Repayment of loan	(727)	(2,868)
1.14 Net financing cash flows	112	4,342
1.15 Net (decrease)/increase in cash held	(145)	5,459
1.16 Cash at beginning of quarter/year	7,345	1,658
1.17 Exchange rate adjustments	117	200
<b>1.18 Cash at end of quarter</b>	<b>7,317</b>	<b>7,317</b>

**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
1.17 Aggregate amount of payments to parties included in item 1.2	155
1.18 Explanation of the transactions	
Directors' remuneration	

### Non-cash financing and investing activities

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

Nil
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### Financing facilities available

	Amount available \$A'000	Amount used \$A'000
1.16 Loan facilities	14,899	13,590
1.17 Credit standby arrangements	20,000	800

### 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
1.18	Cash on hand and at bank	7,280	7,349
1.19	Deposits at call	2,011	1,408
1.20	Bank overdraft	(1,974)	(1,412)
1.21	<b>Total: cash at end of quarter</b>	<b>7,317</b>	<b>7,345</b>

### Compliance statement

- 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.
- This statement does give a true and fair view of the matters disclosed.



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 JONATHAN SOON  
 EXECUTIVE DIRECTOR & COMPANY SECRETARY  
**E-PAY ASIA LIMITED**

### Notes

- 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.
- The definitions in, and provisions of, *AASB 1026: Statement of Cash Flows* applies to this report except for the paragraphs of the Standard set out below.
  - reconciliation of cash flows arising from operating activities to operating profit or loss
  - itemised disclosure relating to acquisitions
  - itemised disclosure relating to disposals
  - policy for classification of cash items
  - disclosure of restrictions on use of cash
  - comparative information
- 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.