

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Name of entity

CBD ENERGY LIMITED

ABN

88 010 966 793

Quarter ended ("current quarter")

31 December 2012

Consolidated statement of cash flows

Cash flows related to operating activities		Current quarter \$A'000	Year to date (6 months) \$A'000
1.1	Receipts from customers	35,322	47,463
1.2	Payments for		
	(a) staff costs	(2,763)	(5,666)
	(b) advertising and marketing	(65)	(346)
	(c) development costs	(2,915)	(5,615)
	(d) leased assets	-	-
	(e) other working capital	(15,284)	(22,938)
1.3	Dividends received	-	-
1.4	Interest and other items of a similar nature received	4	11
1.5	Interest and other costs of finance paid	(1,942)	(2,315)
1.6	Income taxes paid	-	-
1.7	Other	-	-
Net operating cash flows		12,357	10,594

Explanation of Operating Cash Flows for the quarter ending 31 December 2012

CBD's longer term strategy of cash flow diversification resulted in a significant turn around in the December 2012 quarter. CBD Energy received the proceeds from the sale of its 5MW solar project in Italy and development fees / reimbursements from the Taralga wind project. Total inflows from these projects during the current quarter were approximately \$22.6 million. The proceeds were used to pay for development costs and working capital in the period and to retire short term debt totalling \$11.5 million. Additionally, all operating businesses are responding well to restructuring initiatives. Notably, the Australian solar installation business is growing again and good gains are expected in the second half of F/Y 2013.

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	Current quarter \$A'000	Year to date (6 months) \$A'000
1.8 Net operating cash flows (carried forward)	12,357	10,594
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(172)	(188)
(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	-	-
Net investing cash flows	(172)	(188)
1.14 Total operating and investing cash flows	12,185	10,406
Cash flows related to financing activities		
1.15 Proceeds from issues of convertible notes.	-	-
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	224	1,147
1.18 Repayment of borrowings	(11,523)	(13,505)
1.19 Dividends paid	-	-
1.20 Share issuing costs	-	-
Net financing cash flows	(11,299)	(12,358)
Net increase (decrease) in cash held	886	(1,952)
1.21 Cash at beginning of quarter/year to date	(316)	2,522
1.22 Exchange rate adjustments	-	-
1.23 Cash at end of quarter *	570	570

* Includes offset of overdraft facility \$896,000 against the cash balance. See section 4.

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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	\$272
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

- (i) **\$212,374** was paid to TRW Holdings Pty Limited, an entity related to Mr Gerry McGowan for the following expenses;

 - \$212,374 - Executive management services and expenses incurred on the Company's behalf

(ii) Non-executive Directors \$42,500
Executive Director \$17,500

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	7,396	7,396
3.2 Credit standby arrangements	-	-

Loan balances have decreased by over \$11.5 million from the prior quarter.

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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	1,466	755
4.2 Deposits at call	-	-
4.3 Bank overdraft	(896)	(1,071)
4.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)	570	(316)

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	-	-
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 ~~does not~~* (delete one) give a true and fair view of the matters disclosed.

Sign here:



(Director)

Date: 31 January 2013

Print name: **Gerry McGowan**

Notes

+ See chapter 19 for defined terms.

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.

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