



30 April 2015

Commentary on Appendix 4C – Quarterly Cashflow Statement

PS&C Ltd (ASX: PSZ) provides commentary on the Appendix 4C release.

PS&C's businesses are performing well with large pipelines of work. The People business has a record number of billable contractors engaged. The Security businesses are largely fully booked until the end of June and the Communications business has a large pipeline of work.

The final earnings results will depend on the actual work that can be completed by the 30 June 2015 but we are pleased with the level of activity.

The negative operating cash for the quarter end 31 March 2015 was caused by working capital movements in the People and Communications businesses. The operating cash result for the quarter to March is not reflective of profit for the same period.

The People business has had increased activity in terms of billable contractors and this has added to working capital requirements. However, the bulk of the negative operating cash in the People business is cyclical and we expect the last quarter to produce strong operating cash.

The Communications business negative operating cash is also cyclical and we expect a positive operating cash result from this business for the last quarter.

Overall we expect PS&C's operating cash to be within normal range for the full year to 30 June 2015 as we expect a strong cash performance in the last quarter as was the case last financial year.

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