

ASX ANNOUNCEMENT 27 January 2016

General

Smart Parking Ltd (ASX: SPZ) (**Company**) comprises two main divisions:

- **Managed Services:** Headquartered in the UK, this division specialises in managing car parks on behalf of retail customers, land owners and managing agents;
- **Technology:** Designs, develops and specialises in on-street and off-street leading edge parking technology and software that enables clients to manage parking efficiently and cost effectively.

The Company intends to provide an Investor Update in mid-February when it releases its Interim Financial Report for the half-year ended 31 December 2015.

Appendix 4C – December 2015

Attached is the Company's Appendix 4C for the quarter ending December 2015.

The Company notes the following:

- Net operating cash outflows for the quarter were \$2.2m. Excluding the movement in client cash, and one off legal costs the net operating cash outflows for the quarter were \$0.3m. This represents a \$0.3m improvement on the prior quarter.
- For convenience, the below table summarises net operating cashflow movements for the Company's financial year to date:

\$M's	Q1	Q2	YTD
Net Operating Cash Flow	(6.8)	(2.2)	(9.0)
Net Operating Cash Flow excluding Movement in Client Funds	(1.1)	(1.1)	(2.2)
Net Operating Cash Flow excluding Movement in Client Funds and Non-Recurring Items	(0.6)	(0.3)	(0.9)

- Cash in any quarter may be impacted by the timing of distributions of client cash. Client funds held by the company decreased by \$1.1m to \$3.9m during the quarter.
- On 15th December 2015 the company announced that the dispute with the former owner of Smart Parking UK, the Company's wholly-owned subsidiary, was finally resolved and that the Expert Determination had effectively confirmed the Company's position. During Q2 the company incurred cash

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ASX: SPZ

payments of \$0.8m for professional fees and a settlement in accordance with the determination.

- The Company's cash on hand (excluding client funds) decreased \$2.0m to \$1.6m during the quarter. This was predominantly as a result of capital expenditure in the UK (see below) and one off legal costs associated with ongoing legal action which was settled during the quarter.
- The Management Services Division incurred \$0.6m of capital expenditure during the quarter with its continued strategy of deploying technology solutions on manually operated car parking sites in the UK. Management anticipate that operating cash flow will be positively impacted by this investment in the coming quarters.
- The Company had previously completed installation of its sensor technology at 27 car parks for Transport for London with receipts of \$0.25m received early in Q3 that had been expected in Q2. The costs associated with this installation were incurred during the last financial year.
- The Group has no bank debt.
- Given the current cash at bank and forecast net operating cash flows in the business the Company expects to have sufficient cash to continue its current operations for the foreseeable future.

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Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Name of entity

Smart Parking Limited

ABN

45 119 327 169

Quarter ended ("current quarter")

31 December 2015

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$'000	Year to date \$'000
1.1(a) Receipts from customers	8,308	15,043
1.1(b) Movement in Client cash balances	(1,136)	(6,872)
1.2 Payments for (a) staff costs	(3,752)	(7,271)
(b) advertising and marketing	(8)	(52)
(c) support and development	(9)	(30)
(d) inventory	(381)	(531)
(e) other working capital	(4,452)	(8,077)
(f) costs of acquisition	-	-
(g) restructuring costs	-	-
(h) non-recurring professional fees	(819)	(1,293)
1.3 Dividends received	-	-
1.4 Interest received	11	37
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other income	-	-
Net operating cash flows	(2,238)	(9,046)

Appendix 4C
Quarterly report for entities
admitted on the basis of commitments

	Current quarter \$A'000	Year to date \$A'000
1.8 Net operating cash flows (carried forward)	(2,238)	(9,046)
1.9 Cash flows related to investing activities		
Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(550)	(1,591)
(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 repayments made	-	-
1.13 Other (Other Income)	-	-
Net investing cash flows	(550)	(1,591)
1.14 Total operating and investing cash flows	(2,788)	(10,637)
Cash flows related to financing activities		
1.15 Proceeds from issue of shares	-	-
1.16 Proceeds from sale of forfeited shares **	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	(15)	(93)
1.19 Dividends paid	-	-
1.20 Other- exercise of options	-	-
Net financing cash flows	(15)	(93)
Net increase (decrease) in cash held	(2,803)	(10,730)
1.21 Cash at beginning of quarter/year to date	8,632	16,290
1.22 Exchange rate adjustments	(306)	(37)
1.23 Cash at end of quarter	5,523	5,523

* Cash at end of quarter includes cash of \$3.9m (September 2015: \$5.0m) that Smart Parking UK has collected on behalf of customers which is consistent with the treatment in the 2015 Annual Report.

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	(203)
1.25	Aggregate amount of loans to the parties included in item 1.11	-
1.26	Explanation necessary for an understanding of the transactions Director Fees \$43,333 Share Registry Fees \$15,194 Company Secretarial Fees \$19,068 Bulk print and Mail \$108,830 Rent \$6,000 Product Development \$10,600	

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

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- 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

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Financing facilities available

Add notes as necessary for an understanding of the position.

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities	-	-
3.2	Credit standby arrangements	-	-

Appendix 4C
Quarterly report for entities
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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 *	4,986	6,257
4.2 Deposits at call	537	2,375
4.3 Bank overdraft	-	-
4.4 Other	-	-
Total: cash at end of quarter (item 1.23)	5,523	8,632

* Cash at bank includes cash of \$3.9m (September 2015: \$5.0m) that Smart Parking UK has collected on behalf of customers which is consistent with the treatment in the 2015 Annual Report.

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	-	-
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:



Print name: Jeremy King – Company Secretary

Date: 27 January 2016

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 107: 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.