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Paladio Group Limited ABN 35 111 210 390

22 April 2009

Company Announcements Office
Australian Stock Exchange
Level 10, 20 Bond Street
SYDNEY NSW 2000

By ASX Online

No. of pages: 6

THIRD QUARTER ACTIVITIES AND CASH FLOW REPORT

Please find attached the Appendix 4C of Paladio Group Limited (ASX: PDO) for the third quarter ended 31 March 2009.

Yours faithfully,
PALADIO GROUP LIMITED



Victor Kuss
Chief Executive Officer

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001

Name of entity

PALADIO GROUP LIMITED

ABN

35 111 210 390

Quarter ended ("current quarter")

31 MARCH 2009

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	84,839	204,687
1.2 Payments for		
(a) supplier and staff costs	(76,878)	(193,748)
(b) advertising and marketing	-	-
(c) research and development	-	-
(d) leased assets	-	-
(e) other working capital	-	-
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	83	234
1.5 Interest and other costs of finance paid	(274)	(470)
1.6 Income taxes paid	-	(33)
1.7 Other (provide details if material)	-	-
Net operating cash flows	7,770	10,670

+ See chapter 19 for defined terms.

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

	Current quarter \$A'000	Year to date (9 months) \$A'000
1.8 Net operating cash flows (carried forward)	7,770	10,670
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)	-	(750)
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	(235)	(1,044)
(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	133	164
(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)	-	-
	(102)	(1,630)
Net investing cash flows		
1.14 Total operating and investing cash flows	7,668	9,040
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.	-	-
1.16 Proceeds from sale of forfeited shares	-	-
1.17 Proceeds from borrowings	-	-
1.18 Repayment of borrowings	(592)	(1,326)
1.19 Dividends paid	-	-
1.20 Other (capital raising costs)	-	-
	(592)	(1,326)
Net financing cash flows		
Net increase (decrease) in cash held	7,076	7,714
1.21 Cash at beginning of quarter/year to date	10,543	9,905
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	17,619	17,619

+ See chapter 19 for defined terms.

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	183
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

Directors' fees and/or salaries paid during the quarter ended 31 March 2009 (\$60,000). Payment of rent on Director related properties (\$123,000)

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	16,000	-
3.2	Credit standby arrangements	-	-

Paladio Group Limited and its wholly owned subsidiaries have available \$33.1 million in finance facilities with National Australia Bank Limited. The component limits comprise:
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- Bank guarantee facility	\$16.1 million
- Equipment finance facility	\$ 4 million
- Cash flow solutions (receivables finance) facility	\$11 million
- Online funds transfer facility	\$ 1 million
- Overdraft facility	\$ 1 million

In addition, Paladio has \$21.5 million in surety bond facility with QBE Insurance (Australia) Limited & Vero Insurance Limited.
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Appendix 4C
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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	17,619	10,543
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other (provide details)	-	-
Total: cash at end of quarter (item 1.23)	17,619	10,543

Acquisitions and disposals of business entities

	Acquisitions (Item 1.9(a))	Disposals (Item 1.10(a))
5.1 Name of entity	N/A	N/A
5.2 Place of incorporation or registration	N/A	N/A
5.3 Consideration for acquisition or disposal	N/A	N/A
5.4 Total net assets	N/A	N/A
5.5 Nature of business	N/A	N/A

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: Date: 22 April 2009.....
 (Director/Company secretary)

Print name: M J Buckmaster

+ See chapter 19 for defined terms.

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
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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