

**THE SWISH GROUP LIMITED**  
(ASX: SWG)

**ASX Release**

31 October 2010

Manager of Company Announcements  
Australian Stock Exchange Limited  
Level 6, 20 Bridge Street,  
SYDNEY NSW 2000

**Appendix 4C – September 2010 Quarterly Report**

The Swish Group Limited (**SWG or the Company**) presents its consolidated Quarterly Report for the period ended 30 September 2010.

During the period, the Company has further developed and is nearing completion of three significant new on-line advertising based businesses. These initiatives are scheduled for launch in the coming weeks and are expected to generate a high growth revenue stream, with high margins. These developments are considered by the Company to be significant, and the Company will inform shareholders and the market of developments in these areas as they occur.

The Company's gross sales revenue has grown considerably through the quarter with sales from the newly acquired businesses having increased by 12.8% in the September 2010 quarter from the previous quarter.

The attached Appendix 4C also highlights growth in receipts from customers for the quarter as well as a corresponding and substantial decrease in negative net operating cash flows for the period.

In light of the above, the Company is confident that it will meet its current and future financial obligations as and when they fall due whilst generating future cash flows. However, in the event that the Company has cash shortfalls, the Company has access to funding as previously announced to the market.

The Company is also well advanced in arranging access to further funding to provide working capital to the business for the completion and commercialisation of additional new businesses and technologies in the online advertising space.

Dean Jones  
**Managing Director**

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**About SWG**

The Swish Group Limited (SWG) produces, sources, aggregates and licences an extensive range of digital, audio and video content, distributes a wide range of written, audio and video content to many new media platforms and also operates a sales and marketing business selling its digital media products and services. SWG is listed on the ASX and further information on the Company can be found on its website at [www.swishgroup.com.au](http://www.swishgroup.com.au)

# Appendix 4C

## Quarterly report for entities admitted on the basis of commitments

Introduced 31/3/2000. Amended 30/9/2001, 24/10/2005.

Name of entity

THE SWISH GROUP LIMITED

ABN

93 085 545 973

Quarter ended ("current quarter")

30 September 2010

### Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (3 months) \$A'000
1.1 Receipts from customers	454	454
1.2 Payments for (a) staff costs	(313)	(313)
(b) advertising and marketing	(10)	(10)
(c) research and development	-	-
(d) leased assets	-	-
(e) other working capital	(440)	(440)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	1	1
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	(9)	(9)
<b>Net operating cash flows</b>	<b>(317)</b>	<b>(317)</b>

+ See chapter 19 for defined terms.

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**Quarterly report for entities**  
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	Current quarter \$A'000	Year to date (3 months) \$A'000
1.8 Net operating cash flows (carried forward)	(317)	(317)
<b>1.9 Cash flows related to investing activities</b>		
Payment for acquisition of:		
(a) businesses (item 5)	-	-
(b) equity investments	-	-
(c) intellectual property	-	-
(d) physical non-current assets	-	-
(e) other non-current assets	-	-
<b>1.10 Proceeds from disposal of:</b>		
(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 (provide details if material)	-	-
<b>Net investing cash flows</b>	-	-
<b>1.14 Total operating and investing cash flows</b>	<b>(317)</b>	<b>(317)</b>
<b>Cash flows related to financing activities</b>		
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	-	-
1.19 Dividends paid	-	-
1.20 Other (provide details if material)	-	-
Capital raising costs	(61)	(61)
<b>Net financing cash flows</b>	<b>(378)</b>	<b>(378)</b>
<b>Net increase (decrease) in cash held</b>	<b>(378)</b>	<b>(378)</b>
1.21 Cash at beginning of quarter/year to date	576	576
1.22 Exchange rate adjustments to item 1.20	-	-
<b>1.23 Cash at end of quarter</b>	<b>198</b>	<b>198</b>

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

1.26 Explanation necessary for an understanding of the transactions

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**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. (See AASB 1026 paragraph 12.2).*

		Amount available \$A'000	Amount used \$A'000
3.1	Loan facilities: Equity & convertible note facility	5,000	-
3.2	Credit standby arrangements	-	-

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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	198	753
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	(177)
4.4 Other (provide details) (cash held in a separate bank account to secure a bank guarantee in respect of leased office accommodation)	-	-
<b>Total: cash at end of quarter</b> (item 1.23)	198	576

**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 give a true and fair view of the matters disclosed.

  
 Sophie Karzis  
 Company Secretary  
 31 October 2010

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## 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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