



ASX: OTC

ASX/NEWS RELEASE

31 July 2012

QUARTERLY REPORT TO 30 JUNE 2012

- Receipts from customers for the year of \$143.5 million
- Receipts from customers for the quarter of \$52.8 million
- Significant improvement in operating cash flow
- Improved working capital position and \$7.2 million in borrowings repaid
- Divestment of Emerson Stewart Consulting
- Core businesses have strong order books and well positioned for growth

OTOC Limited (ASX code: OTC) is pleased to report net cash flow for the three months ended 30 June 2012 of \$2.8 million.

OTC recorded a 38% increase in receipts from customers to \$52.8m (March Quarter: \$38.4m), with net operating cash flow of \$10.0m (March Quarter: -\$2.3m). OTC has strengthened its working capital position and repaid \$7.2m in borrowings during the quarter.

Post the end of the quarter OTC announced it had entered into an agreement to sell the Emerson Stewart Consulting business, which is expected to settle in September 2012. OTC expects to receive proceeds of approximately \$1.2m from the sale.

OTC's CEO Adam Lamond said: "We are particularly pleased to record a significant improvement in operating cash flow. This strong cash generation is testament to the record level of work carried out in the quarter as well as the business improvement initiatives and internal controls put in place over the course of the year.

The quarterly debt reduction has strengthened our balance sheet and positions OTC to capitalise on the strong demand for non-process infrastructure and accommodation services."

The OTC cash flow statement is summarised below (see attached Appendix 4C for full details).

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OTOC Limited	Jun Qtr \$000	Mar Qtr \$000	FY12 \$000
Receipts from customers	52,808	38,380	143,505
Payments for: staff costs	(16,497)	(16,228)	(55,712)
Payments for: other working capital	(25,745)	(24,064)	(79,457)
Net interest expense	(564)	(336)	(1,270)
Net operating cash flows	10,002	(2,248)	7,066
Payments for non-current assets	(2,412)	(596)	(3,652)
Payments for businesses	-	-	(9,072)
Net investing cash flows	(2,412)	(596)	(12,724)
Proceeds from issue of shares	-	-	8,496
Proceeds from borrowings	2,452	5,796	12,286
Repayment of borrowings	(7,237)	(843)	(10,699)
Net financing cash flows	(4,785)	4,953	10,083
Net increase/(decrease) in cash	2,805	2,109	4,425
Cash at beginning of Quarter	1,609	(500)	(11)
Cash at end of Quarter	4,414	1,609	4,414

About OTOC

OTOC Limited is a leading provider of resources and infrastructure services through its wholly owned operations OTOC Australia and Whelans.

Established in 2003, OTOC Australia specialises in the installation of mine site accommodation and non-process infrastructure for mining and oil and gas projects. OTOC Australia has a successful track record of delivering turnkey mining camp solutions for blue-chip clients including BHP Billiton, Rio Tinto and FMG.

Whelans is a leading consultancy in the provision of surveying, mapping and town planning, with a focus on the resources sector. Whelans has 110 professional staff operating from offices in Perth, Karratha, Broome, Kununurra and Kalgoorlie.

www.otoclimited.com.au

For further information please contact

Adam Lamond
CEO
Tel (08) 9317 0628

Brian Mangano
CFO
Tel (08) 9317 0633

Lisa Wynne
Company Secretary
Tel (08) 9476 4500

OTOC Limited
ACN 122 958 178
Level 1, 43 Kishorn Road
Applecross
Western Australia 6153

Appendix 4C

Quarterly report for entities admitted on the basis of commitments

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10

Name of entity

OTOC Limited

ABN

80 122 958 178

Quarter ended ("current quarter")

June 2012

Consolidated statement of cash flows

Cash flows related to operating activities	Current quarter \$A'000	Year to date (12 months) \$A'000
1.1 Receipts from customers	52,808	143,505
1.2 Payments for (a) staff costs	(16,497)	(55,712)
(b) advertising and marketing		
(c) research and development		
(d) leased assets		
(e) other working capital	(25,745)	(79,457)
1.3 Dividends received	-	13
1.4 Interest and other items of a similar nature received		
1.5 Interest and other costs of finance paid	(564)	(1,283)
1.6 Income taxes paid		
1.7 Other (provide details if material)		
Net operating cash flows	10,002	7,066

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

	Current quarter \$A'000	Year to date (12 months) \$A'000
1.8 Net operating cash flows (carried forward)	10,002	7,066
Cash flows related to investing activities		
1.9 Payment for acquisition of:		
(a) businesses (item 5)		(6,799)
(b) equity investments		
(c) intellectual property		
(d) physical non-current assets	(2,426)	(3,698)
(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	14	46
(e) other non-current assets		
1.11 Loans to other entities		
1.12 Loans repaid by other entities		
1.13 Other (cash balance acquired from business acquisition)		(2,273)
Net investing cash flows	(2,412)	(12,724)
1.14 Total operating and investing cash flows	7,590	(5,658)
Cash flows related to financing activities		
1.15 Proceeds from issues of shares, options, etc.		8,496
1.16 Proceeds from sale of forfeited shares		
1.17 Proceeds from borrowings	2,452	12,286
1.18 Repayment of borrowings	(7,237)	(10,699)
1.19 Dividends paid		
1.20 Other (provide details if material)		
Net financing cash flows	(4,785)	10,083
Net increase (decrease) in cash held	2,805	4,425
1.21 Cash at beginning of quarter/year to date	1,609	(11)
1.22 Exchange rate adjustments to item 1.20		
1.23 Cash at end of quarter	4,414	4,414

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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	191
1.25	Aggregate amount of loans to the parties included in item 1.11	
1.26	Explanation necessary for an understanding of the transactions	
Executive and non-executive Director remuneration.		

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

- 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

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	650	650
3.2	Credit standby arrangements	7,292	6,234

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Quarterly report for entities
admitted on the basis of commitments

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	4,414	1,762
4.2	Deposits at call	-	-
4.3	Bank overdraft	-	(153)
4.4	Other (provide details)		
Total: cash at end of quarter (item 1.23)		4,414	1,609

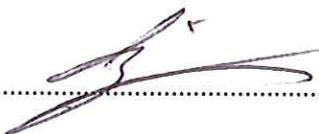
Acquisitions and disposals of business entities

	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:



Date: 31 JULY 2012

Print name: Brian Mangano - Chief Financial Officer

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.

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2. The definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report except for any additional disclosure requirements requested by AASB 107 that are not already itemised in this report.
3. **Accounting Standards.** ASX will accept, for example, the use of International Financial Reporting 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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