



ADEFFECTIVE LIMITED

(ASX: ABN)

ASX and Media Release

30 April 2013

AdEffective Limited – Quarterly Cash Flow Statement (Appendix 4C) for quarter ended 31 March 2013

- **Continued profitability (to date FY2013 estimate profit of \$70K)**
- **YTD Revenue of \$2.24 million**
- **Total Cash receipts for Q3 2012 of \$0.86 million**
- **Total Cash receipts for FY2013 of \$2.84 million**

AdEffective Limited (**ABN** or the **Company**) presents its consolidated Quarterly Cash Flow Report for the period ended 31 March 2013.

The Company expects profits for Q3 FY2013 to be the strongest since its relisting in 2010. In line with these results, the Company is estimating a \$70K profit for the current financial year (up from \$4K for the 1st half of FY 2013). In the last twelve months, the Company has made a profit in ten months, including the seven consecutive months from September 2012 to March 2013.

Total cash receipts for the March 2013 Quarter were \$0.86 million, in line with the previous quarter (\$0.86 million Q2 FY 2013). Total cash receipts for the first three quarters of FY2013 to 31 March 2013 are \$2.84 million, a significant increase to the previous corresponding period in FY 2012 (total cash receipts for the first three quarters of FY2012 to 31 March 2012 were \$1.694 Million).

Total income for FY 2013 to 31 March 31 2013 was \$2.24 million (equivalent period in FY 2012: \$1.6 million). Working capital available to the Company as at 31 March 2013 was \$508,000 (\$416,000 as at 31 December 2012; \$97,000 as at 31 March 2012).

The Company remains cautiously optimistic about the outlook for AdEffective, and the Directors are encouraged by improvements in earnings FY 2013.

The Company remains committed to organic growth of its existing core businesses, creation of its new Ecommerce Division as well as continuing to seek new opportunities to further diversify current business offerings in the near future and will invest funds into creating and acquiring new revenue streams to increase Company income.

-ENDS

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About AdEffective Limited

AdEffective is an online advertising business focusing on the distribution of advertising to publishers and publisher networks. AdEffective served over 1 Billion Ad Units in March 2013 through its Advertising Partner Network.

AdEffective has also formed a new Ecommerce division which will acquire and create online stores and transaction based websites.

<http://www.adeffective.com>

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

AdEffective Limited

ABN

93 085 545 973

Quarter ended ("current quarter")

31 March 2013

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	868	2,841
1.2 Payments for		
(a) staff costs	(149)	(488)
(b) advertising and marketing	-	-
(c) research and development	-	-
(d) leased assets	-	-
(e) other working capital	(629)	(2,205)
1.3 Dividends received	-	-
1.4 Interest and other items of a similar nature received	3	8
1.5 Interest and other costs of finance paid	(1)	(3)
1.6 Income taxes paid	-	-
1.7 Other (provide details if material)	-	-
Net operating cash flows	92	153

+ 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 (6 months) \$A'000
1.8 Net operating cash flows (carried forward)	92	153
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	-	-
(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 repaid by other entities	-	-
1.13 Other (provide details if material)	-	-
Net investing cash flows	-	-
1.14 Total operating and investing cash flows	92	153
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	-	-
1.19 Dividends paid	-	-
1.20 Other (provide details if material)	-	-
Capital raising costs	-	-
Net financing cash flows	-	-
Net increase (decrease) in cash held	92	153
1.21 Cash at beginning of quarter/year to date	416	355
1.22 Exchange rate adjustments to item 1.20	-	-
1.23 Cash at end of quarter	508	508

+ 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	59
1.25	Aggregate amount of loans to the parties included in item 1.11	-

1.26 Explanation necessary for an understanding of the transactions

-

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	-	-

+ See chapter 19 for defined terms.

Appendix 4C
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	508	416
4.2 Deposits at call	-	-
4.3 Bank overdraft	-	-
4.4 Other (provide details) (cash held in a separate bank account to secure a bank guarantee in respect of leased office accommodation)	-	-
Total: cash at end of quarter (item 1.23)	508	416

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.

Authorised for electronic lodgement by **Damian London, Chief Executive Officer**
 30 April 2013

+ 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.